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THE PURPOSES OF BUDGETING

When attempting to explain the county budget process, it is important to have an understanding of the word “budget.” The American Heritage Dictionary defines the word budget as, “an itemized summary of probable expenditures and income for a given period.” Providing a definition for a county budget means different things to different groups. Taxpayers might view the county budget from the perspective of a tax rate and express concerns over any increase in taxes. Analysts might look at a county budget from a historical perspective and develop charts to see trends in revenues and expenditures. The County Auditor might consider the word budget as a series of steps toward certification of budgets, tax rates and tax levies.

The Budget as a Process

Preparation of a county budget is more than projecting for receipts and disbursements for a given year. The county budget provides a map for the County Council and taxpayers that identifies the operating costs considered essential to the successful operation of the county for a given period. The budget cycle for the County Auditor is year-round in nature because budget development and implementation occur throughout the year.



The county budget provides a map for the County Council and taxpayers that identifies the operating costs considered essential to the successful operation of the county for a given period.

The statement that the budget is a map implies that budgeting must be more than simply compiling an annual report to be approved by the County Council. Each County Auditor must constantly monitor receipts and expenditures and compare those to actual figures. The County Auditor must insure that budget items are classified, expended, and estimated properly to maintain taxpayer trust. Continuity in process promotes constant reevaluation of county priorities and assists the County Auditor in identifying future trends and needs for the county. The policies and procedures established by the County Commissioners and County Council support the identified trends and needs of the county.

In an indirect way, every budget provides some statement of community goals. At a minimum, the allocation of resources among different functions reflects both the particular goals that the government hopes to attain and the relative priorities assigned to each goal. Additionally, the budget reflects the elected official's philosophy of local government. By programming funds for certain activities, by reducing or omitting other functions, the



...the allocation of resources among different functions reflects both the particular goals that the government hopes to attain and the relative priorities assigned to each goal.

Policymaker indicates those services, which the government will (or will not) attempt to provide. For the politically successful official, these activities are a statement and a synthesis of community goals and expectations.

This "statement" of community goals may be either implied in the approved budget document, or expressly announced in a budget message. If the government's goals are implied, communities look at expenditures, levies, and revenue sources, and try to deduce which services the government will provide, how much of each service and so on.

An explicit statement of budgetary goals provides this information to the taxpayers. First, it tells them what the government intends to do, when, how and why. Second, it publicly states specific governmental objectives, which are important to both the local officials and the community. Third, it establishes expectations and avoids the mistaken impressions of what the government can or should do. That is, the citizen knows in advance what the local government intends to accomplish, and why one activity may have priority over another. The likelihood of misunderstandings downstream is therefore diminished, and the taxpayer is able to understand and participate in the budget process at the development and adoption stages.

Naturally, no local government can provide all things to all concerned. But a central, affirmative, and informative statement of what will be provided can dramatically reduce the confusion and dissatisfaction, which is frequently demonstrated by citizen groups.

As a practical matter, there will probably be several statements of goals. Managerially, each department head or other responsible official should develop a fairly firm and complete idea of what his or her department or board intends to accomplish. These individual objectives are then integrated and reconciled by the County Commissioners and County Council into a single, cohesive policy. The result is a comprehensive statement of governmental goals, indicating not only what the executive branch of the local government intends to do, but also reflecting executive decisions as to priority and practicality.

This budgetary statement or plan will then be presented to the fiscal body, along with supporting financial data. The legislative body, of course, is responsible for ratifying or modifying the executive's plans, and authorizing the official local budget to implement these policies and programs.

An express statement of goals is extremely valuable at this point, for the County Commissioners, the legislative body. It allows the County Commissioners to make more effective and rational budget choices by relating specific budget items to overall government operations and assessing the impact of any desired changes. For the County Auditor, this kind of

statement of goals simplifies the process of justifying a budget precisely because it explains to the County Council and taxpayers how each line item in the budget contributes to the government's overall policy. Additionally, a budgetary statement integrates the proposed operations and costs of any single department with all others. As a result, the County Auditor's political responsibilities are made easier because the information he or she must use to defend the budget proposal is presented in a complete and logical format. The chances of piecemeal changes or ill-considered reductions are thereby diminished, and the relationships between the budget document and local budget policies are explained in a straightforward and comprehensive manner.



For the County Auditor, this kind of statement of goals simplifies the process of justifying a budget precisely because it explains to the County Council and taxpayers how each line item in the budget contributes to the government's overall policy.

To summarize, the budget serves as a statement of community goals to the extent that the budget document and the budget message reveal the philosophy of the elected officials and relate that philosophy to proposed governmental activities or services, such that they address community needs and expectations.

The Budget as a Policy Instrument

The budget document is in one sense the culmination of the budget process. Since it is a tangible result of local policy decisions, one is tempted to view the budget document as the end product of the gruesome task of budgeting. As previously noted, however, the budget process is a continuous one. Because of this fact, the budget is not only a document but also an effective policy instrument.

This means two things: the budget is a means of establishing policy, and it is the financial method by which policy decisions are implemented. The first of these functions is accomplished through the budget's allocation of government resources. That process uses the budget as the instrument for translating community goals into government programs. The second function, the implementation of policy choices, uses the budget to ensure that government programs actually address these goals.



This means two things: the budget is a means of establishing policy, and it is the financial method by which policy decisions are implemented.

Even though government services and policy goals are coordinated when the budget is adopted, the two do not always remain synchronized. The government's activities may be very well managed, for instance, yet still not accomplish the intended goals. At this point, the budget is perhaps the most effective instrument for achieving policy objectives because it is the means by which financial resources may be reallocated.

The Budget as a Management Tool

It is clear that good government does not run itself--it must be managed. And nowhere does this managerial responsibility fall more heavily than on the locally elected public official. For innumerable reasons, local government has been forced to "make do with less." Given this situation, few officials can afford the luxury of sitting back and formulating policy, and then letting others worry about carrying it out. The local policymaker has to be an effective manager as well.

The budget is perhaps the most important managerial tool available to local government. Since almost everything which local government does is reflected in the budget, it is a comprehensive tool. Because virtually all-governmental activities are funded through the budget, and because the budget is a continuous process, it is an effective tool for the public official because it provides an effective management device at every stage of governmental activity. While recognizing that the budget is a management tool, we should not forget that its other characteristics might be equally important to the County Council.



The budget is perhaps the most important managerial tool available to local government.

Summary

So far, we have explained what a budget is and what it does. We have said that a budget is a process, a statement of goals, a policy instrument, and a managerial tool. Indeed, it may be all of these things simultaneously, since the four aspects are all related. These relationships may be better explained through the following example:

As the County Auditor is compiling departmental budgets, he/she reviews the activities within the county. The department's present budget tells him/her how many people are on the payroll and how much it costs to maintain each county department. The budget also gives him/her an idea of the services performed by the county during the past year.

To understand the county budget realistically, however, the County Auditor needs additional information: how large the county is--that is, how many square miles must sheriff deputies cover and what other services are being provided to taxpayers. The County Council might also want to know the different types of services provided to taxpayers and the number and percentage of taxpayers returning for assistance. This type of information allows the County Council to evaluate the present budget against actual performance. To prepare next year's budget adequately, an Auditor needs to know what the county did in the past and what it is doing now. The Auditor then compares those activities and costs to the services he expects the county to perform next year.

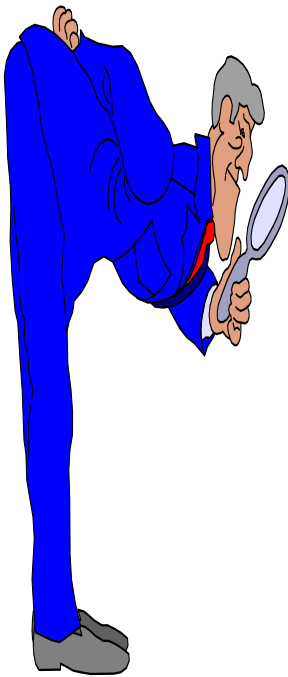
This kind of historical review is an example of the budget as a process. It serves as the roadmap that tells the County Council where the county has been and what it is doing, and helps determine what services will be provided during the next year.

Next year's activities, though, also depend on the County Commissioners policy goals. The budget can be a statement of these goals and objectives either indirectly or explicitly. And the goals may mandate certain activities or limit others. If the County Commissioners determine that a reduction in park services provided should occur, more funds may be allocated for police protection and less for park services. This action is reflected in the budget and it indicates the fiscal bodies desire for the county. As a statement of goals, the budget reflects the County Commissioner's and Council's philosophy and priorities.

While few elected officials consciously decide to use the budget for management or policy or as a statement of goals, it is important that the different aspects of budgeting be understood. By knowing how to work through the budget process, and how to use the budget to address a variety of problems, the local official is better able to fulfill his or her responsibilities. Moreover, the elected official is able to use that control for the benefit of the community. Readers should keep these concepts in mind throughout the following sections, asking themselves what they might do to make the County budget more useful.

Summary

Chapter 1: The Purpose of Budgeting

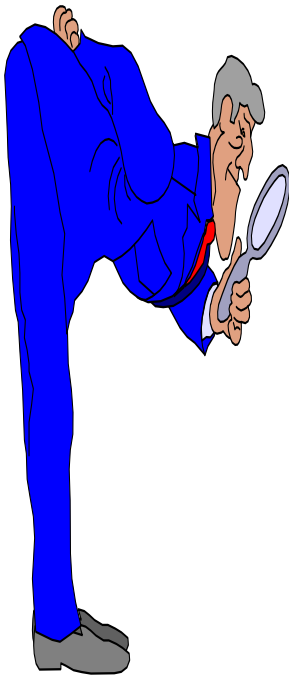


In this section, we have discussed the following:

- *The county budget provides a map for the County Council and taxpayers that identifies the operating costs considered essential to the successful operation of the county office for a given period.*
- *The allocation of resources among different functions reflects both the particular goals and government hopes to attain and the relative priorities assigned to each goal.*
- *For the County Auditor, this kind of statement of goals simplifies the process of justifying a budget precisely because it explains to the County Council and taxpayers how each line item in the budget contributes to the government's overall policy.*
- *This means two things, the budget is a means of establishing policy, and it is the financial method by which policy decisions are implemented.*
- *The budget is perhaps the most important managerial tool available to local government.*

Key Ideas

Chapter 2: Organizational Responsibilities in Local Government Budgeting



In this section, we will discuss the following:

- *The two-stage review process of the local government budget.*
- *Who makes the final determinations of budgets, rates, and levies?*
- *A diagram of the local budget process.*
- *A diagram of the local budget appeal process.*

ORGANIZATIONAL RESPONSIBILITIES IN LOCAL GOVERNMENT BUDGETING

There is probably no aspect of local government budgeting, which is so important, yet so diverse, as the matter of responsibility for preparing the annual budget. These differences, moreover, are not entirely dependent upon the size or assessed valuation within a particular County, nor the kinds of problems facing it.

The principal explanation for different organizational responsibilities is found in the fact that the budget is not only a financial plan for the county, but also a political statement of goals for the community. This is the “roadmap” mentioned earlier, and it is a reflection of the political philosophy of the community.

In general, the County Auditor is responsible for developing the local budget insofar as the elected executive determines what the function of the County is and how will officials attempt to accomplish goals in the coming year. Often this is accomplished initially by individual personnel within the County, at the direction of the elected county executives.

The County Auditor is typically responsible for preparing the formal budget documents, performing both administrative and financial duties. This involves not only the mathematics of collecting and verifying expense estimates, but also the analysis and forecasting of local revenues and intergovernmental transfers, and the actual preparation of budget documents.

Finally, in every instance, the County Council is charged with formally adopting the annual budget. More to the point, the local legislative body levies property taxes and appropriates public monies from the property tax and other funding sources, thereby legislating the local government’s “work program” for the coming year.

Once the local government budget is approved by the County Council, it is subject to a two-stage review process: first by the local county tax adjustment board through the advertisement of proposed tax rates for all taxing districts, and secondly by the hearing officers for the Department of Local Government Finance. Final determinations of budgets, rates, and levies are made by the Department of Local Government Finance.



***Once the County Council approves the local government budget, it is subject to a two-stage review process:
(1) the local county tax adjustment board, and
(2) the hearing officers for the Department of Local Government Finance.***



The Department of Local Government Finance makes final determinations of budgets, rates, and levies.

While the complete review and appeal process will be discussed in a later section, it should be noted here that ten or more taxpayers may appeal to the county tax adjustment board if they feel that the local budget's tax levies or appropriations are too high. And they may renew these appeals (or make new ones) to the Department of Local Government Finance after the county tax adjustment board has made its decisions. In addition, the county itself may appeal to the state from any adverse determinations by the county tax adjustment board.

It should be noted that not all counties opt to appoint a county tax adjustment board. In those counties that do not use a county tax adjustment board, the County Auditor assumes the role and properly gathers and publishes the tax rates of the various taxing districts in the county.

Two other general considerations should be noted with regard to budgetary appeals. No taxpayer is authorized to appeal budget decisions on the grounds that tax levies or appropriations are too low, except in cases where the budgeted amounts fall below statutorily established minimums. Decisions of the Department of Local Government Finance are final, permitting no further appeals except, possibly, through the courts.

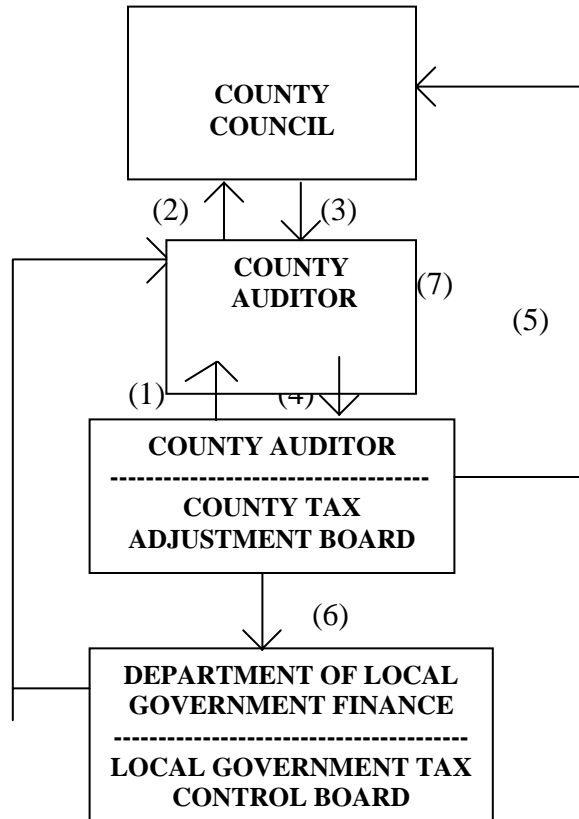
Notwithstanding these commonalities in the budget process, it is a fact that in many jurisdictions the responsibilities for preparing and adopting the local budget are performed differently in practice.

Precisely because the budget process is in part a political process, it is impossible to say that there is a single uniform way of preparing the budget. The process differs according to the political, managerial, and personal dynamics of the elected and appointed public officials involved in preparing, adopting and approving the budget. In addition, there are few statutory assignments of responsibility for local government budgeting, other than those general ones set out above.

It should be noted, though, that the illustration only indicates those budgeting steps that are required by statute. Most counties, however, find that merely adhering to these few requirements is both inadequate and unsatisfactory. Other procedures are usually necessary, and these are largely dictated by the local government situation.

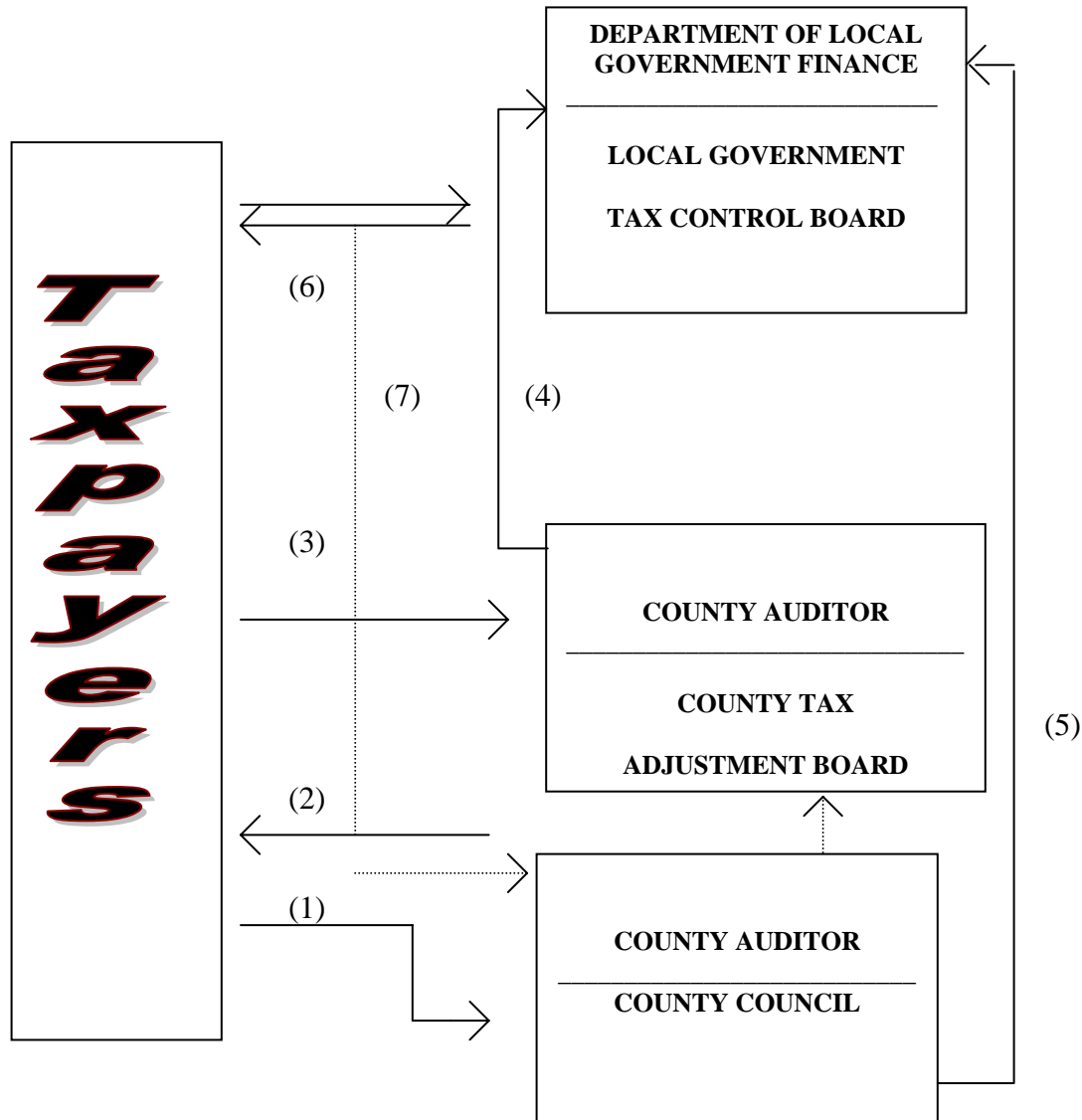
The second flowchart represents the appeal process for County government and for taxpayers, after the budget has been approved at the local level.

Figure 1. Local Budget Process



- (1) Budget Estimate Worksheets sent to county offices-June-July.
County Auditor sends tax distribution/assessed values-August 1.
- (2) Budget Estimates/Worksheets to county-August.
- (3) Adopted Budget returned to County Auditor-September.
- (4) Budget forwarded to county tax adjustment board-September.
- (5) Results of county tax adjustment board prepared by County Auditor-October.
- (6) County tax adjustment board results sent to Department of Local Government Finance-October.
- (7) Department of Local Government Finance returns approved budget, tax rates, tax levies and appropriations to county after any possible appeals from actions of county tax adjustment board- on or before February 15.

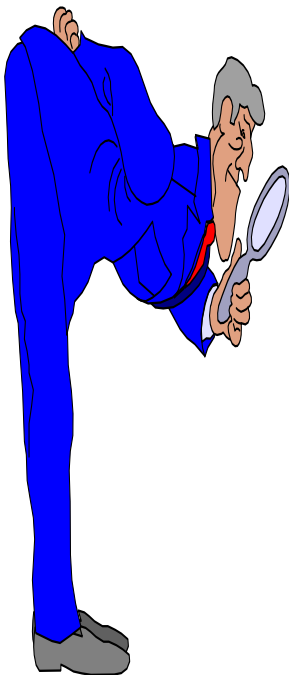
Figure 2. Budget Appeals Process



- (1) Taxpayers appeal budget, rate or levy after Council's public hearing.
- (2) County council adopts finding at adoption hearing addressing taxpayer concerns.
- (3) Taxpayers appeal county tax adjustment board's publication of county tax rates.
- (4) Auditor forwards objecting petition to Department of Local Government Finance.
- (5) County officials have local budget hearing with Department of Local Government Finance.
- (6) Department of Local Government Finance address taxpayer concerns at local budget hearing.
- (7) Department of Local Government Finance certifies fund budgets, rates and levies for all taxing units in the county.

Summary

Chapter 2: Organizational Responsibilities in Local Government Budgeting

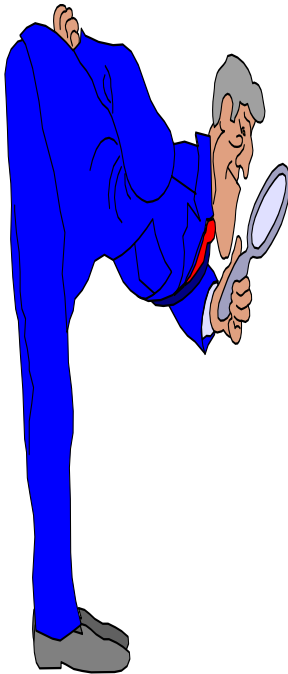


In this section, we have discussed the following:

- *Once the County Council approves the local government budget, it is subject to a two-stage review process: (1) the local county tax adjustment board, and (2) the hearing officers for the Department of Local Government Finance.*
- *The Department of Local Government Finance makes final determinations of budgets, rates, and levies.*

Key Ideas

Chapter 3: Budgetary Principles & Definitions



In this section, we will discuss the following:

- *The concept of balance as it relates to local government budgeting in Indiana.*
- *The organization of local government budgets.*
- *The State Board of Accounts established budgetary fund accounting method used for all local governments in the state.*

BUDGETARY PRINCIPLES AND DEFINITIONS

Indiana's local government budgeting system is based on a number of fundamental premises, which govern both substantive and administrative aspects of the budgeting process. Since these guiding principles and definitions are so essential to local government budgets in Indiana, they should be fully understood before proceeding further.

Balance

The concept of balance is one of the keys to local government budgeting in Indiana. It involves two related budgeting principles:

- The county council annually adopts a single integrated and balanced budget, which reflects the financial program of every department, office or function, both individually and collectively.
- Indiana law requires not only a balanced budget, but also one which individually balances each component fund or account.



A balanced budget is defined as available resources greater than the necessary appropriations at the end of the budget cycle.

Fund Accounts

Local government budgeting is organized into fund accounts that separate receipts and expenditures by source, purpose, function, and organizational unit within the local government. The purpose of classifying revenues and expenses according to such diverse criteria is to permit people with different interests to view the local government budget from the perspective that means the most to them. At the same time, of course, the use of fund account classifications is intended to make the local budget more useful to the elected official at every level of government.

Two basic principles of classification apply:

- Receipts within each fund are classified by source: Revenue Receipts and Non-Revenue Receipts.
- Disbursements from each fund are classified by Administrative Unit and Object of Expense.

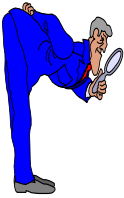


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Uniform System of Accounts

It is called the Uniform System of Accounts and it prescribes both procedures and forms to be used in the preparation of the local budget and in the collection of revenues and the expenditure of funds. The primary purposes of the Uniform System of Accounts are these:

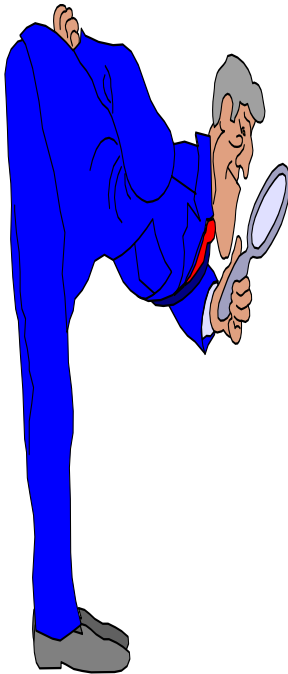
- To furnish responsible local officials with an effective aid in the management of the county.
- To provide taxpayers with an adequate record of county operations, and information on local government finances.
- To afford local officials, State and Federal agencies, and financial or investment analysts sufficient statistical and economic data to assess the financial position of the county.
- To provide officials at all levels with a uniform system for budgeting, accounting and reporting.



Indiana's State Board of Accounts has established the budgetary fund accounting method for all local governments in the state.

Summary

Chapter 3: Budgetary Principles & Definitions

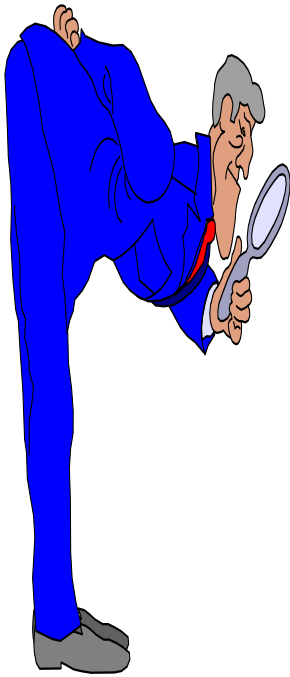


In this section, we have discussed the following:

- *The concept of balance is one of the keys to local government budgeting in Indiana.*
- *Local government budgeting is organized into fund accounts that separate receipts and expenditures by source, purpose, function, and organizational unit within the local government.*
- *Indiana's State Board of Accounts has established the budgetary fund accounting method for all local governments in the state.*

Key Ideas

Chapter 4: Budget Calendars & Financial Reporting Schedules



In this section, we will discuss the following:

- *The use of budget calendars.*
- *How budget calendars help the local official.*
- *The use of financial reporting calendars.*
- *The Auditor's Certificate.*

BUDGET CALENDARS AND FINANCIAL REPORTING SCHEDULES

The Department of Local Government Finance provides a budget calendar to local officials each year to provide timelines for the advertisement and adoption procedures required by law. Although the calendar is not prescribed by law, the dates are statutory requirements for the proper advertisement and adoption of ensuing year budgets. The calendar also contributes to the effective administration of the budget process. Many levels of government are involved in the review and approval of a local budget. Strict compliance with the reporting or activity dates set by the Department of Local Government Finance allows all involved to fulfill their statutory duties while better managing their time. If nothing else, following the established Budget Calendars at least allows every local official to plan his or her time more efficiently.



A Budget Calendar is provided to local officials each year to provide timelines for the advertisement and adoption procedures required by law.



If nothing else, following the established Budget Calendars at least allows every local official to plan his or her time more efficiently.

A Budget Calendar refers to the schedule of events prescribed by IC 6-1.1-17-5 and IC 5-3-1-2. Every level of government must accomplish certain actions to complete its budget and the dates on which, or no later than which, these actions may occur are established by law.

In addition, the state has established schedules of periodic reports or submissions related to the budget. Financial Reporting Calendars, which set out these reporting schedules are therefore included, following the appropriate County Budget Calendars.



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County Budget Calendar:

- August 1 Last date on which ten or more taxpayers may file with the County Auditor a petition for reduction or revision of a Cumulative Firefighting, Building and Equipment Fund levy. This is also the last date for a county auditor to submit paperwork for the establishment of a cumulative fund to the Department of Local Government Finance.
- August 31 Last date for first publication of budget (10 days prior to the Public Hearing date). IC 6-1.1-17-3
- September 7 Last date for second publication of budget (at least 3 days before public hearing). IC 5-3-1-2
- September 10 Last date for public hearing (at least 10 days prior to the adoption date). IC 6-1.1-17-5(a)
- September 19 Last date to file excessive levy appeals with the Department of Local Government Finance. Appeals for relief from property tax rate and levy limitations must be filed with the Department of Local Government Finance before September 20 to be eligible for consideration.
- September 20 Last date for the county council to adopt budgets, tax rates and tax levies for the ensuing calendar year (IC 6-1.1-17-5).
- September 30 County budget ordinances adopted not later than the last meeting of the City-County Board in September IC 6-1.1-17-5(a)(2) or second class cities not later than September 30. IC 6-1.1-17-5(a)(3)
- Meeting of county tax adjustment board (Second Monday in September of the current year.)
- October 2 Last date to file budgets with County Auditor (2 days after adoption meeting.) IC 6-1.1-17-5(d)
- IC 6-1.1-17-5(e) reads, "In a consolidated city and county and in a second class city, the Auditor of the County Board shall, notwithstanding subsection (d), file the adopted budget and tax ordinances with the county board of tax adjustment within two (2) days after the ordinances are signed by the executive, or within two (2) days after action is taken by the County Board to override a veto of ordinances, whichever is later."
- October 1 Last date for County Tax Adjustment Board to complete its duties.

(10 days after publication of the notice of the County Tax Adjustment Board)	Last date on which 10 or more taxpayers, or one taxpayer owning ten percent (10%) or more of the assessed value in a taxing district, may file with the County Auditor an appeal to the Department of Local Government Finance from action of the county tax adjustment board (IC 6-1.1-17-15).
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February 15 Ensuing year. On or before this date, the Department of Local Government Finance certifies the budgets, property tax rates and levies for all taxing districts.

COUNTY AUDITOR'S CERTIFICATE

IC 6-1.1-17-1 requires the County Auditor to certify estimates of assessed valuation and other information to the fiscal officer of each political subdivision of the county. Any changes are reflected in the Auditor's Certificate mailed by the Department of Local Government Finance to each County Auditor. The requirements are as follows:

"The statement shall contain:

- (1) information concerning the assessed valuation in the political subdivision for the next budget year;
- (2) an estimate of taxes to be distributed to the political subdivision during the last six (6) months of the current budget year;
- (3) the current assessed valuation as shown on the abstract of charges;
- (4) the average growth in assessed valuation in the political subdivision over the preceding three (3) budget years, excluding years in which a general reassessment occurs, determined according to procedures established by the Department of Local Government Finance; and
- (5) any other information at the disposal of the county auditor that might affect the assessed value used in the budget adoption process."

The miscellaneous revenue information provided by the Auditor includes excise, FIT and December property tax estimates. The Department of Local Government Finance provides guidelines on the excise estimates. The county highway and local road and street fund estimates are provided by the Auditor of State's office. Bank assessed valuation estimates are provided by the County Auditor. Financial Institution Tax estimates are based on the current year. The Department of Local Government Finance calculates the final figures when working the budgets and reports them with the 1782 Notice.

Certificate of Net Assessed Valuation: County Auditors are required to provide local units of government and the Department of Local Government Finance with the final assessed valuations, for budget purposes, by August 1 of each year.

The following table illustrates the various timelines for local officials with respect to the certification of assessed values.

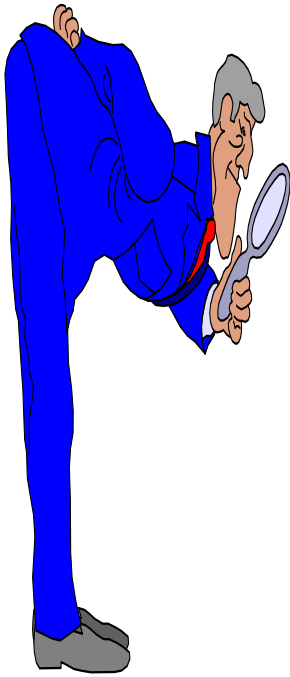
	PERSONAL PROPERTY DEADLINES	REAL ESTATE DEADLINES
TWP ASSESSOR TO COUNTY ASSESSOR	June 1	May 15
CO. ASSESSOR TO COUNTY AUDITOR	July 1	July 1

The Department's Budget Division and Assessment Division work with County Auditors, Township Assessors, Township Trustee Assessors and County Assessors to ensure the statutory timelines are met by local officials.

The importance of accurate assessed values reduces the potential for shortfalls and/or levy excess by local units of government. Accurate assessed value's result in tax rates that provide taxpayers with a true picture of a taxing unit's financial needs.

Summary

Chapter 4: Budget Calendars & Financial Reporting Schedules

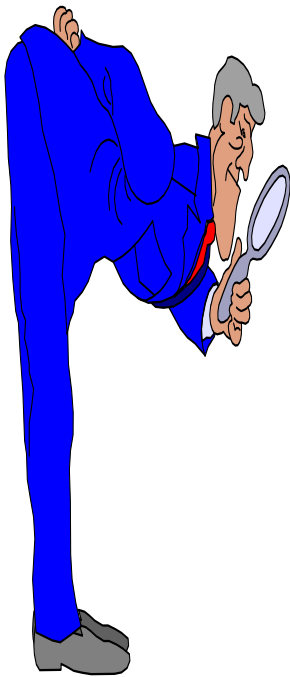


In this section, we have discussed the following:

- *A Budget Calendar is provided to local officials each year to provide timelines for the advertisement and adoption procedures required by law.*
- *If nothing else, following the established Budget Calendars at least allows every local official to plan his or her time more efficiently.*
- *In addition, the state has established schedules of periodic reports or submissions related to the budget. Financial Reporting Calendars, which set out these reporting schedules, are therefore included.*
- *This section contains a calendar of monthly duties and, while not complete, should be referred to each month to ensure that such duties are not overlooked.*
- *The County Auditor's Certificate and its use by other local units of government.*

Key Ideas

Chapter 5: Tax Rates & Tax Levies



In this section, we will discuss the following:

- *The role of Certification of assessed values by local officials*
- *The amount of annual minimum levy increases.*

TAX RATES AND TAX LEVIES

In terms of technical and administrative problems, the most difficult part of the budget process is establishment of an adequate tax rate and tax levy. This is particularly difficult because maximum levy limitations are in place for each County. The maximum levy limitation controls the amount of property tax levied by a County, thereby placing a cap on revenues available through property tax.

$$\text{Tax Rate} = (\text{Tax Levy}/\text{AV}) * 100 \text{ or } \text{Tax Levy} = (\text{AV}/100) * \text{Tax Rate}$$

When determining the levy required for a specific calendar year, the county is required to subtract from projected expenses any amounts of miscellaneous revenue that will be generated in lieu of property tax. The difference, or amount remaining, reflects what is required to be raised in property tax. If the levy (line 10, Form 4B) remaining after subtraction of miscellaneous revenues is greater than the maximum levy limitation, the auditor has two options:

- 1) an excessive levy appeal, if applicable; or
- 2) a reduction in line item expenditures during the current or proposed calendar year.

Unless the county is pursuing an excessive levy appeal for budget purposes, the auditor will automatically be required to reduce current year or ensuing calendar year expenses. A budget reduction is both a financial and political process. The financial aspect covers the requirement in Indiana for a balanced budget, operations within a maximum levy limitation, and avoidance of operating in the red. The political aspects of a balanced budget are evident. No discussion will follow on this area.

In preparing tax rates, local officials rely on the certification of assessed values by the County Auditor. The County Auditor works with the County Assessor to solidify values that represent the assessed valuation of all real and personal property within the county reported by the township assessor. The Department of Local Government Finance provides the Auditor and other officials with data on valuation of public utilities and on specific taxation limitations.



In preparing tax rates, local officials rely on the certification of assessed values by the County Auditor.

This information is used by each local official in the determination of tax rates and levies for the ensuing calendar year. As covered in Chapter 3, the information should be received no later than August 1st. The County Auditor compiles the following information for use by each taxing unit:

- Current assessed valuations.
- Estimated December property tax collections.
- Estimated December excise collections.
- Prior three years assessed valuation growth.
- Any other information deemed important.

The previous section elaborated on the importance of accurate assessed values and the role of local officials in the certification process.

Property Tax Levies

Counties are permitted property tax growth under the current tax laws. A maximum of six- percent in levy is provided each year. The actual increase is either the 6% or the statewide growth factor; whichever is less. Counties experiencing more rapid growth may qualify for an additional increase through the excessive levy appeal process. The excessive levy appeal procedure described in this manual also allows for levy growth in excess of the norm. Proper procedures must be followed to attain this special exception.



A maximum of six percent increase in levy is provided each year. Actual increase is either 6% or the statewide growth factor; whichever is less.

The maximum levy limitations are determined by the Department of Local Government Finance and represent the maximum amount of property taxes that may be raised in a given year. The information is furnished to County Auditors prior to preparation of ensuing calendar year budgets. The county unit has one maximum levy worksheet. This worksheet encompasses the county operating budget. The estimate of funds to be raised through property taxes may not exceed the maximum levy established for the county operating budget. This levy limitation includes any levies for county general, reassessment, health and other county funds. The County Auditor must balance the needs of the county with the levy limitations.

Determination of the county's proposed property tax rate is calculated on the 16-line statement or Form 4B, Estimate of Funds to be Raised. The Estimate of Funds to be Raised is the property tax levy desired for each fund. Step 1 involves determining the assessed valuation of taxable property within the county's jurisdiction. This assessed valuation is provided by the County Auditor and certified to the Department of Local Government Finance. The same calculation is used for each fund with a property tax levy.

Step two requires the County Auditor to take the estimate of funds to be raised on Line 16 of Form 4B and divide that amount by the total assessed valuation for the taxing district. This figure is then multiplied by 100 to determine the tax rate needed to support the fund.

For example: Estimate of funds to be raised is \$100,000 (line 16 on budget form 4B)
Assessed valuation is \$160,000,000

Tax rate = Line 16/ (Assessed Value/100) = Tax Rate
Tax rate: 100,000/ (160,000,000/100) = .0625 tax rate
(To check your work .0625 x 1,600,000.00 = 100,000)

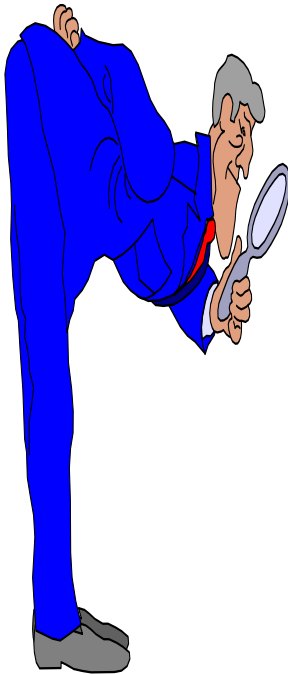
The tax rate calculated (.0625) represents the amount of property tax needed to support this particular fund. The same calculation is made for all funds with a property tax levy.

Once the County Auditor determines the tax levy for each fund, he/she must compare whether the funds are controlled or not controlled. Controlled levies fall under the maximum levy limitation. To ensure that the county is within its maximum levy limitation, the County Auditor adds the sum of fund levies to compare that total against the maximum levy figure.

If the levies exceed the maximum certified by the Department of Local Government Finance, the County Council may have to consider making budget cuts for the ensuing year or reductions in current year remaining appropriations (line 2).

Summary

Chapter 5: Tax Rates & Tax Levies



In this section, we have discussed the following:

- *In preparing tax rates, local officials rely on the certification of assessed values by the County Auditor.*
- *The County Auditor is required to provide all taxing units with an Auditor's Certificate on or before August 1 of each year.*

Key Ideas

Chapter 6: Budget Forms & Process



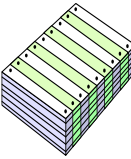
In this section, we will discuss the following:


- *Tips for putting together a local government budget.*
- *The Department of Local Government Finance Budget Order.*
- *Filling out County Budget Form 1.*
- *Filling out County Budget Form 2.*
- *Filling out County Budget Form 3.*
- *Filling out County Budget Form 4.*
- *Filling out County Budget Form 4A.*
- *Filling out County Budget Form 4B.*
- *Filling out County Budget Form 144.*

GETTING STARTED

FORMS

PUTTING THE BUDGET TOGETHER: What do you need?

- 
- County Ledger
 - Current Department of Local Government Finance Budget Order
 - Approved Department of Local Government Finance Additional Appropriation orders
 - Budget Form 1 – County Budget Estimate
 - Budget Form 2 – Estimate of Miscellaneous Revenue
 - Budget Form 3 – Notice to Taxpayers of Budget Estimates and Tax Levies
 - Budget Form 4 – Ordinance for Appropriations and Tax Rates
 - Budget Form 4B – Budget Estimate – Financial Statement – Proposed Tax Rate
 - Budget Form 4A- Certificate of Appropriations
 - Budget Form 144- Statement of Salaries and Wages



The first step in putting a budget together is to analyze the past year and current year budget.

TIPS

- Determine whether current items appropriated are actually needed.
- Should some appropriations be increased or should some be decreased?
Look at current and prior year disbursements, if money has been left over at the end of the year, you may want to consider reducing the appropriation, if additional appropriations were made, consider increasing the appropriation.
- Is there something new that will need to be funded?
- If an item is added, can the county afford it?
- Don't wait until last minute to formulate the new budget – Begin preparation as soon as possible after June 30.

Note: Budget forms are planned to be available on the DLGF's website in the spring of 2007.

THE BUDGET PROCESS

The budget process begins in early spring when the County Auditor and Department heads begin to analyze the appropriations that will be needed for the ensuing year. The DLGF holds budget workshops in July and August to meet with the units on the budget forms. At this time, the County Auditor should present verification of cash balances and have each form completed as much as possible. The DLGF field representative will then advise the County of dates and assist, if necessary, to determine publishing dates and other information as needed.

Note: Each budget form that needs to be completed is talked about in greater detail in the sections that follow this introduction to the budget process. The budget calendar, which details specific dates that steps of the budget process needs to be completed by, is included in another chapter of this manual.

When the budget workshop is completed, the County Auditor will need to finalize the budget and publish appropriately in two newspapers. The Auditor then will need to make two copies of the budget from each taxing unit in the County. One copy will be picked up by the DLGF field representative and will be the finalized forms the DLGF will need to process the unit's budget. The DLGF will hold budget hearings beginning in October to allow taxpayers from the district to comment on the budget submitted for approval. After the budget hearing is completed, the DLGF field representative will then begin to review the submitted budget forms, verify cash balances, if not already received, and check publication dates for timeliness, and update revenue estimates based on most recent information. Once this has been done, the field representative will begin entering the budget information into the budget program. When all units in the County have been worked, a 1782 Notice is sent to each taxing unit. The 1782 Notice is a preliminary budget based on what was submitted to the DLGF and what was advertised in the newspapers. The field representative will review the changes requested and make any that are allowed and reasonable. The 1782 Notice gives a unit fourteen (14) days, per statute, to respond with any changes. Once the 1782 Notice has expired, no other changes will be permitted, except for situational problems - such as not receiving the 1782 Notice. The field representative will then make any changes requested from the 1782 Notices and submit the final budget to the DLGF office in Indianapolis. Once the office receives the completed budget program from the field representative, they begin the necessary steps to finalize and certify the budget.

The office is responsible for verifying the field representative's work, running several reports to check totals and other information and then certifying and issuing the Budget Order, which is then signed by the Commissioner. The Budget Order is discussed in more detail at the end of this chapter.

COUNTY BUDGET ESTIMATE BUDGET FORM 1

Budget Form 1 is prepared for each fund budget within the county by the Auditor. The County Auditor normally compiles information from the individual officeholders for completion by July 1. When Departments complete the appropriate forms, the County Auditor compiles the forms to come up with a total budget estimate for line 1, Budget Form 4B, and for determining miscellaneous revenues by fund for the county.

Budget Form 1 is utilized to estimate the necessary expenditures for the ensuing budget year. The form is divided into four (4) budget classifications as follows:

Personal Services include salary, wages and employee benefits.

Supplies include office supplies, operating supplies and repair and maintenance.

Other Services and Charges are appropriated for services other than personal services, which are required by the county in carrying out its assigned functions such as legal services, communication and transportation, printing, insurance, rentals and debt service.

Capital Outlays are for the acquisition of land, buildings, machinery and equipment.

This is further divided into the most common funds, which are applicable to the county.

The “Items” column is used to indicate that amount which the Auditor will present to the County Council for their approval at time of adoption. The “Total Estimate” column is used to total each budget classification. The total of the form is then transferred to Line 1 of Budget Form 4B in the “Amount Used to Compute Published Budget” column.

The right most column headed “Approved” is for use by the County Council in adopting the budget. The County Council should approve each line item and each major category is then totaled. This total is transferred to Line 1 of Budget Form 4B in the “Appropriating Body” column.

The form must be completed for each fund to be appropriated. To arrive at this amount, the County Auditor must look at historical expenditures and anticipate future needs. As previously stated, if a certain item was increased in the previous year through additional appropriation, consideration should be given to increase the expenditure. If a substantial amount went unused in the previous year then the possibility of reducing or eliminating the item should be considered.

The Budget Form 1 should reflect those needs, which the County Auditor and other officials consider necessary to perform the county’s governmental function, without limiting the needs to comply with the maximum levy. In order for the County Council to consider an excessive levy appeal, a need for the increase must be itemized. It becomes the County Council’s responsibility

to either make application for an excessive levy appeal or reduce appropriations to fall within the maximum levy guidelines.

IC 36-4-7-6 outlines the procedures for formulation of budget estimates. Simply, it is a five-step process.

Step 1: Each department head prepares for his department an estimate of the amount of money required to operate his department in the ensuing budget year. Detailed line item estimates should be presented to the County Auditor.

Step 2: The County Auditor prepares revenue estimates for the ensuing budget year, and prepares the itemized estimate of expenditures for all departments proposed for the ensuing budget year.

Step 3: The Commissioners and Council Members may meet with department heads and the County Auditor to review the various estimates.

Step 4: After the executive reviews and revises the proposed estimates, the County Auditor prepares for the executive a list of estimated departmental budgets, miscellaneous expenses and revenues needed to support the estimates.

Step 5: The County Auditor then presents the budget estimates to the County Council. The County Council prepares an ordinance fixing the rate of taxation for the ensuing year and an ordinance making appropriations for the various departments and other county purposes for the ensuing year. The County Council may reduce any item it chooses.

The compilation of data on the Form 1s should be double checked by the County Auditor. It is a critical that an accurate number for the total county budget within the general fund be advertised on Form 3 and incorporated on Budget Form 4B.

This completes Budget Form 1

**ESTIMATE OF MISCELLANEOUS REVENUES
BUDGET FORM 2**

General:

Budget Form 2, Estimate of Miscellaneous Revenues, accounts for revenue from all sources other than property taxes. The form is divided into two sections. Column A is for amounts expected to be received between July 1 and December 31 of the current budget year. Column B is for amounts expected to be received between January 1 and December 31 of the incoming budget year. This process accounts for revenues over an eighteen (18) month period

A separate Estimate of Miscellaneous Revenues must be prepared for each fund maintained by the county. No fund, of course, is likely to use every line or row on the form, but every fund should generate some revenue. There are various means to estimate the anticipated monies but the most common is by historical evidence. Base the estimates over a three-year period, adjusting for any increases or decreases. The County Auditor uses information on some revenues such as Column A excise tax, financial institution tax and certified share distributions. These estimates are also forwarded to other taxing units on the Auditor's Certificate. Other sources of revenue are loan proceeds and interest on investments.

The proper allocation of revenues to funds is extremely important. From a historical perspective, not only can total amounts be estimated but also whether those amounts are staggered throughout the year. The allocation of excise tax among the funds is probably the most difficult to estimate, especially for Column B. License Excise Tax is distributed to only those funds which receive a tax levy. The allocation is based upon the percentage of total levy to each fund. The total amount of license excise tax does not, in most cases, significantly change. However, the allocation between the funds can be dramatic.

Example:

Total Actual Excise Distribution	2000	\$12,577
	2001	\$14,856
	2002	<u>\$15,992</u>
Three Year Avg.		\$14,475

Fund	Levy	Percent of Levy	Excise to be Distributed
General	26,155	24%	\$3,474
Reassessment	12,883	12%	\$1,737
Park	<u>69,138</u>	<u>64%</u>	<u>\$9,264</u>
Total	108,176	100%	\$14,475

Step 1: Compute a three-year average of total actual excise tax received by the county.

Step 2: Add the total amount levied from each fund for the incoming year.

Step 3: Of the total amount from Step 2, divide that amount into each fund levy (e.g. $\$26,155 \div \$108,176 = 24\%$)

Step 4: Multiply the three-year excise tax average by the result of Step 3. This represents the amount of excise tax allocated to the fund. (i.e. $\$14,475 \times .24 = \$3,474$)

It must be realized that the calculation of license excise tax will not be totally accurate. If the county can estimate 90% of its actual distribution, that is about as close as can be expected. The amount of excise to be distributed to each taxing unit during June and December Settlement is based upon that taxing unit's total property tax rate(s) as compared to other taxing unit's property tax rate(s). Excise distributions will fluctuate based on increases/decreases in property tax levies. Any excise refunds made in a taxing district also reduces the amount of excise distributions made between the taxing units in the district.

The Department of Local Government Finance Hearing Officer can provide guidance on making excise estimates. The Department of Local Government Finance monitors the growth or decline in excise estimates for a three-year period.

This completes Budget Form 2

NOTICE TO TAXPAYERS OF BUDGET ESTIMATES AND TAX LEVIES

Budget Form 3

General

Budget Form 3 is used to advertise to the taxpayers the budgets and levies which are to be raised in the ensuing year. In addition, this form notifies the taxpayers of the dates of the public hearing and adoption of the budget. The form was revised in 2002. No prior forms may be used for notification to taxpayers.

Publication of Form 3

This form is to be published two (2) times. There must be a minimum of ten (10) days between the public hearing meeting date and adoption meeting date. This form must be published a minimum of ten (10) days prior to the public hearing. If the budget is to be published by a daily and a weekly newspaper, both advertisements must appear at least ten (10) days prior to the public hearing.

Ex: If a public hearing is to be held September 5, the adoption hearing cannot be held before September 15.

If an error was made in the preparation of the advertisement, a budget, rate or levy, it may be corrected in the second advertisement without penalty. If the newspaper fails to properly publish the advertisement, a statement by the newspaper is sufficient. The newspaper must provide the documentation to the taxing unit to be included in the budget paperwork.

Conduct of Hearings

The *public hearing* is for the benefit of the taxpayer. Copies of the budget should be made available to interested taxpayers. The County Council should ask for comments from those in attendance and allow them the opportunity to speak for or against any budgetary items. The *adoption meeting* is where the County Council meets to take final action on the budget. Ten (10) or more taxpayers have the right to submit their objections to the budget within seven (7) days after the public hearing. The County Council, at its adoption meeting, must consider those objections and submit their findings and final actions, in writing, with the budget when presented to the County Auditor. In short, each objection must be addressed and the reason for the action taken. The adoption hearing is a public meeting; however, taxpayers do not have the right to testify or comment on the County Council's actions. If the County Council fails to satisfy taxpayer concerns, taxpayers may appeal the tax rates advertised by the County Tax Adjustment Board or County Auditor.

Notification Section: Form 3 – Notice to Taxpayers

- Blank 1:* Insert county name
Blank 2: Insert “county unit”
Blank 3: Insert location where public hearing will take place (to include address)
Blank 4: Insert date when the public hearing will take place
Blank 5: Insert year in which the public hearing will take place
Blank 6: Insert the time of the public hearing
Blank 7: Insert location where adoption meeting will take place (to include address)
Blank 8: Insert month and date of adoption meeting (must be at least ten (10) days from public hearing date above)
Blank 9: Insert year of adoption meeting
Blank 10: Insert time of adoption meeting.
Blank 11: Insert assessed valuation used for calculations

Budget Estimates and Tax Levies

Column 1: *Fund Name:* The preprinted names are those funds most commonly used by a county unit. If a fund not listed is to be appropriated insert the fund name.

Column 2: *Budget Estimate:* The budget estimate is the amount of money that is to be appropriated for each fund. Remember, the general fund budget estimate should reflect all departmental budget requests added together. This amount is taken from Budget Form 1, Total Budget Estimate. *If an amount is not placed in this section, no appropriation may be approved regardless of action taken by the appropriating body at the time of adoption.*

Column 3: *Maximum Estimate of funds to be raised (including appeals):* This amount represents the tax levy required to fund the appropriation indicated in Column 2 (Budget Estimate). The amount is taken from Line 16 of Budget Form 4B. This line must also include any amounts, which represent excessive levy appeals. *If no amount is indicated in this section, no tax levy may be approved regardless of action taken by the appropriating body at time of adoption.*

Column 4: *Excessive Levy Appeals (included in Column 3):* This column represents the additional amount to be levied above the maximum permissible levy. This amount is included in Column 3 (maximum estimated funds to be raised). The amount in Column 4 is supported by an appeal to the Department of Local Government Finance under IC 6-1.1-18.5.

Column 5: *Current Tax Levy:* This column represents the amount of tax levy currently being collected for each fund. This amount is indicated on the 100% Budget Certification form for the current year.

Levy Section: Form 3

Blank 1: Insert ensuing budget year

Blank 2: Insert county maximum levy from Maximum Levy Sheet provided by the Department of Local Government Finance

Blank 3: If the county has adopted the County Adjusted Gross Income Tax (CAGIT) the County Auditor informs each taxing unit of the amount of property tax replacement credit applicable. This figure can also be obtained from the Maximum Levy Sheet provided by the Department of Local Government Finance.

Blank 4: Insert the month, day and year the form was signed

Blank 5: Insert name of the County Auditor.

This completes Budget Form 3

ORDINANCE FOR APPROPRIATIONS AND TAX RATES
Budget Form 4

This form is the ordinance formally approving the money appropriated on Budget Form 4A for the ensuing budget year. Additionally, this form supports/negates the action taken with respect to Budget Form 4B for levies and tax rates. County Council members affirm their action by signing in the appropriate column, “yea” or “nay.”

The County Auditor attests the action of the Council members and the signatures by signing below the written names. This form must be completed by the county council to approve the county budget for the ensuing year.

The adoption date on this form should be the last date the Council acted on the budgets, tax rates and tax levies for the county. This form should not be completed during the initial public hearing(s).

Budget Form 4 is extremely important. The top section of the form is used by the County Auditor to certify to the Department of Local Government Finance that the budget in-fact was adopted.

Blank 1: Insert the name of the county.

Blank 2: Insert the current year.

Move to the left side of the form under “County Council.”

Blank 3: Insert the month and date of the final adoption. This date must agree with the date advertised for the adoption of the final budget.

Blank 4: Insert the current year.

The bottom section of the form serves as an ordinance for the budgets adopted. It specifies which council members voted “yea” and which council members voted “nay.”

The bottom section has the date the council approved the budget and the auditor attested the information.

This completes Budget Form 4

BUDGET ESTIMATE – FINANCIAL STATEMENT – PROPOSED TAX RATE
Budget Form 4-B

General

Budget Form 4-B is used to account for those monies necessary to be raised for the ensuing budget year. The form is designed to account for an eighteen (18) month period; the last six (6) months of the current budget year and the entire ensuing budget year.

This form is commonly referred to as the **16 Line Statement**, which is derived from the numbers in the left most column. (In past years, the line indicating the Net Tax Rate was not indicated by a number.) The form is also broken into four (4) sections:

- (a) **AMOUNTS USED TO COMPUTE PUBLISHED BUDGET:** This section is completed based upon the budget estimate as originally prepared from Budget Form 1. The aggregates of Line 16's, for funds under the maximum levy, may exceed the maximum permissible levy. That part which does exceed the maximum levy may be reflected in the "Excessive Levy Appeal" column (4) of form 3 if an appeal is being pursued. If not appeal is being pursued, the levies will be reduced to the maximum allowed, which may result in budget cuts.

(See Excessive Levy Appeal Process)

- (b) **APPROPRIATING BODY:** This section is completed based upon the budget as adopted by the county council. The line 1 and line 16 amounts may be the same or less than advertised, but cannot be more. The adopted rates are reflected on the bottom of this form.
- (c) **TAX ADJUSTMENT BOARD:** The county auditor completes this section to reflect the action by the county tax adjustment board or in the absence of such board, his/her action.
- (d) **CONTROL BOARD AND DLGF FINAL ACTION:** The Department of Local Government Finance hearing officer completes this section.

Unit and Fund Identification Section: Form 4B

The top of the form is used to identify the unit, fund name and assessed value of the fund necessary to compute the tax rate. The top left of the form, which indicates ID 503, may be left blank as well as Unit on Appeal boxes.

- Blank 1:* Taxing Unit – insert "County Unit"
- Blank 2:* County – insert name of the county
- Blank 3:* Fund – insert the name of the fund being computed
- Blank 4:* Net Assessed Valuation – insert the assessed valuation applicable to the fund.
The County Auditor provides this figure in the Auditor's Certificate provided to each taxing unit by August 1.

Financial Section

The financial section of the form, Lines 1 through 17, is divided into four sections:

1. The Appropriations Section – Lines 1 through 5
2. The Income Section – Lines 6 through 9
3. Amounts to be Raised by Tax Levy – Lines 10 through 16
4. Net Tax Rate – Line 17

Lines 1 through 5

- Line 1:* Represents the total budget estimate for the ensuing budget year. This figure is taken from the total of Budget Form 1 for the appropriate fund.
- Line 2:* Represents the amount of remaining appropriations for the period July 1 through December 31 of the current budget year. This line is not estimated. It is the result of the following:
- (a) Current year approved appropriations from Department of Local Government Finance Budget Order
 - PLUS**
 - (b) Any amounts encumbered from the immediate prior year
 - PLUS**
 - (c) Department of Local Government Finance approved additional appropriations during the period January 1 through June 30 of the current year. (This does not include additional appropriations, which may have been held prior to July 1, but rather those that have been approved by the Department of Local Government Finance for the period.)
 - MINUS**
 - (d) Appropriated disbursements during the period January 1 to June 30 of the current year. (Do not include disbursements that are not appropriated, (i.e. investment purchases or disbursements to the levy excess fund.)).

The resulting computation is placed on Line 2

- Line 3:* Represents the amount of additional appropriations anticipated, if any, during the period July 1 to December 31 of the current year.
- Line 4:* Represents temporary loans, which have not been repaid prior to July 1 of the current year. This line is set out into two sections.
- Line 4a:* Represents temporary loans outstanding but must be repaid by December 31 of the current year.
- Line 4b:* Represents temporary loans outstanding but will not be repaid by December 31 of the current year. If line 4b is used, a resolution declaring an emergency is required. (This amount must be accompanied by a resolution of the County Council stating the date of repayment.)

If levy excess has not been removed from the fund prior to July 1, then that amount is recognized as being a loan from the levy excess fund.

Line 5: Represents the total of Line 1 through Line 4b which represents the amount of appropriations needed for an eighteen (18) month period: Line 1 represents the ensuing year and Lines 2 through 4b represent current year appropriations.

The Income Section – Lines 6 through 9

Line 6: Represents the June 30 cash balance. This amount also includes any investments, which are evidenced by disbursements from the fund. Total monies invested or NOW accounts are not considered investments. This line must be the same as the June 30 ledger cash balance plus investments.

Line 7: Represents the amount of property tax money to be received in the current year's December distribution. If the June distribution was deposited after June 30, then this amount would reflect the entire year tax distribution, minus any advance draws distributed and received before June 30.

Line 8a Represents funds that the unit anticipates receipting into the fund during the period July 1 to December 31 of the current year other than property tax receipts. This amount is taken from the total of Column A, Budget Form 2.

Line 8b Represents funds that the unit anticipates receipting into the fund during the period January 1 to December 31 of the ensuing budget year other than property taxes. This amount is taken from the total of Column B, Budget Form 2.

Line 9: Represents the total of Lines 6 through 8b, which is the total amount of cash from all sources to be received during the eighteen-month period July 1 of the current year to December 31 of the ensuing year.

Amounts to be Raised by Tax Levy – Lines 10 through 16

Line 10: The amount of tax money necessary to fund the ensuing budget (Line 1), which is the remainder of Line 9 from Line 5.

Line 11: This line is probably the most misunderstood of the budgeting process. The purpose of Line 11 is to allow the unit of government sufficient funds to operate during the period January 1 to June 30, less any miscellaneous revenues received, of the year subsequent to the ensuing budget year. The reasoning behind this theory is that the first tax distribution does not occur until June, it would be reasonable to assume that a unit would not have funds to meet operating expenses during this period. Line 11 is used to estimate the necessary funds for that subsequent period. However, those funds, which are estimated in Line 11, must be raised from the ensuing year maximum permissible levy.

- Line 12:* Total of Line 10 plus Line 11. This amount represents the total amount of property taxes to be levied in order to fund Line 1, budget for the ensuing year, and Line 11, operating expenses for the first half of the following year.
- Line 13:* Represents the amount of property tax replacement credit used to reduce taxpayer property tax burden. If the county has adopted the county adjusted gross income tax (CAGIT), the County Auditor will supply this amount. The amount can also be found on the maximum levy calculation sheet provided by the Department of Local Government Finance.
- Line 14:* Subtract Line 13 from Line 12
- Line 15:* Represents that amount of tax money, which was collected in excess of 100% of the certified budget levy calculated by the Department of Local Government Finance in the immediate prior year. **ONLY the Department of Local Government Finance will utilize this line.**
- Line 16:* Subtract Line 15 from Line 14. This amount represents the total amount of taxes to be levied to fund the ensuing year budget and the cash flow for the first half of the subsequent budget year for a particular fund.

Net Tax Rate – Line 17

- Line 17:* Represents the tax rate necessary to raise the levy required by Line 16 by the following steps:
- (a) Divide the Net Assessed Value, at the top of the sheet, by 100 (or move the decimal 2 places to the left).
 - (b) Divide line 16 by the net assessed value per \$100.
 - (c) The result should be taken to four (4) decimal points.

Example: Net Assessed Value = 300,121,370 divided by 100 or 3,001,213.70
Tax Levy (Line 16) = \$1,986,203
Tax Levy/(Net Assessed Value/100)= 1,986,203 / 3,001,213.70 = .6618
Tax Rate (Line 17) = .6618

This completes Budget Form 4B

CERTIFICATE OF APPROPRIATIONS
Budget Form 4A

General

Budget Form 4A is used to account for appropriations as *adopted* by the County Council. The form is divided by fund and major budget classification totals. Reference to individual line items should be indicated on Budget Form 1. The most frequently used fund names are preprinted on the form.

This is the only form which indicates the official action of the appropriating body; therefore, it is necessary that this form be completed in proper form.

Unit Identification Section

The top of the form is used to identify the unit and to certify the date of the adoption meeting. The top left of the form, which indicates ID, YEAR, CO, TYPE and FUND may be left blank. The proper preparation of the form is as follows:

Blank 1: Taxing Unit: Insert "County Unit."

Blank 2: County: Insert name of county.

Blank 3: Insert fund number i.e. 0101 (general).

Blank 4: Insert fund name.

Blank 5: Function (blank).

Blank 6: Original published budget appropriation – insert amount published for personal services.

Blank 7: Local Council or Board - Insert amount adopted by fiscal body for personal services.

Blank 8: Original published budget appropriation- insert amount published for supplies.

Blank 9: Local Council or Board – Insert amount adopted by fiscal body for supplies.

Blank 10: Original published budget appropriation – insert amount published for other services and charges.

Blank 11: Local Council or Board – Insert amount adopted by fiscal body for other services and charges.

Blank 12: Original published budget appropriation- insert amount published for capital outlay.

Blank 13: Local Council or Board – Insert amount adopted by fiscal body for other services and charges.

County Budget Classification Section

This section is used to indicate the amount *adopted* for each fund by major budget classification. Each category should be indicated by an amount, even if that amount is \$0 to insure that each category has been considered and not omitted. Each fund should be totaled and should agree with the Budget Form 1 as modified by the appropriating body.

Next Section: Repeat for each fund.

Column for Tax Adjustment Board column reflects action taken by the County Board of Tax Adjustment and would be filled in appropriately.

Column for Final Budget after reduction ordered by the Department of Local Government Finance reflects final action taken at the Department of Local Government Finance budget hearing.

This completes Budget Form 4A

BUDGET ORDER

The budget order is the *final* action of the Department of Local Government Finance. All other work that a county may receive from the Department of Local Government Finance should be considered as “Work in Progress” and must not be considered as any type of approval. By statute, the Department of Local Government Finance must certify all budgets on or before February 15 of the proposed budget year.

The “Budget Order” informs the unit of the approved levies and rate for each fund which was submitted. The “Budget Order” also informs the unit how much and to which fund to deposit the amounts carried in the Levy Excess Fund. This form will be utilized when preparing the proposed budget and should be filed for easy access.

The “Levy Excess Report of Taxes Collected in 20xx.” This report may be included with the “Budget Order” assuming that the County Auditor has made the final distribution and reported such to the Department of Local Government Finance prior to the issuance of the “Budget Order”. If not, the report will be forwarded under separate cover. This statement informs the unit of each fund’s property tax collections in the immediately proceeding budget year. The figure shown as “100% of Cert. Levy” represents the amount of property taxes to be levied for each fund (line 16 of 16-line statement approved by the Department of Local Government Finance) multiplied by 100%. It is recommended that a new column in the ledger be made and entitled “Levy Excess”. Any amounts that are collected in excess of the 100% must be disbursed from those funds and deposited in the “Levy Excess Fund”. The Department of Local Government Finance may reduce the ensuing year’s levy (line 16 of form 4B) by the same amount as the total in the Levy Excess Fund.

The “100% of 20xx Budget Levy Certification” shows the levy that was approved for each fund and the 100% calculation. Please refer to the note at the bottom of the form, which states that if the *total* amount of levy excess from all funds is less than \$100 there is no need to deposit that amount in the Levy Excess Fund.

Budget appropriations may be transferred within each budget classification (i.e. Personal Services, Supplies, etc.). Appropriations may also be transferred between budget classifications (i.e. Supplies to Other Services and Charges), however, this type of transfer must be approved by the County Council.

When the Department of Local Government Finance certifies the total budgets, tax rates and tax levies for each taxing unit and fund, a complete order is mailed to the County Auditor. The County Auditor maintains one copy in the Auditor’s Office, for reference purposes, and distributes one copy of each taxing unit’s budget order. This should be done immediately to allow units the opportunity to review the certified information. There is no appeal process for the budget order but it is important for each unit to verify the accuracy of the information.

The budget order consists of three parts:

- Budget order- which specifies the assessed valuation, levy excess information, fund tax rate(s) and budget(s) figures.
- Certified levy - which identifies for each fund the certified tax levy and the maximum amount (100%) that may be collected in the ensuing year for that fund before the application of levy excess takes place.
- Levy excess worksheet- which guides taxing units through the calculation of levy excess.

STATE OF INDIANA
DEPARTMENT OF LOCAL GOVERNMENT FINANCE
BUDGET ORDER AND 100% OF BUDGET LEVY CERTIFICATION

YEAR: _____ COUNTY: # and Name Unit: # and Name Type: _____
Following consideration...

FUND:	Certified Budget	Certified AV	Certified Levy	Certified Rate
-------	------------------	--------------	----------------	----------------

0101 GENERAL

Comments pertaining to fund

FUND: 0706 LOCAL ROAD AND STREET

Comments pertaining to fund

FUND: 1312 PARK

Comments pertaining to fund

This form is the Department of Local Government Finance Budget Order. For each fund, the appropriation and rate approved by the Department of Local Government Finance is stated. Any expenditure which exceeds the stated appropriations must be accomplished by the Additional Appropriations procedure.

Note: Comments within the General or Fire Fund is the authority to transfer money from the Levy Excess Fund. This is the only notification given for the transfer.

Levy Excess Fund

A fund that is set aside for property tax collections in excess of 100% for a given calendar year. Money in this fund is used to reduce the ensuing year's property tax levy. This reduction is reflected on line 15 of Budget Form 4B. The Department of Local Government Finance notifies each taxing unit of moneys to be deposited into a levy excess fund on the levy excess worksheet provided to the County Auditor.

During the budget process, it is recommended that the taxing unit not detail levy excess on line 15 but rather allow a higher levy on line 16 to be advertised for budget purposes. This allows some flexibility in case a math error was made in determining the levy. The Department of Local Government Finance will insert any levy excess on line 15 during the budget review and hearing process.

Pursuant to IC 6-1.1-18.5-17(f), "A civil taxing unit may transfer money from its levy excess fund to its other funds to reimburse those funds for amounts withheld from the civil taxing unit as a result of refunds paid under IC 6-1.1-26."

Notice of final tax rates charged:

Pursuant to IC 6-1.1-22-4 and upon certification of the final tax rates and tax levies for all taxing units in the county, the County Auditor is required to publish a notice of final tax rates. This notice is advertised three times, one week apart, in two newspapers, if two newspapers are published in the County. The notice provides taxpayers with the final taxing district rates and state property tax replacement credits that property tax rolls will be based on.

Summary

Chapter 6: Getting Started: Budget Forms



In this section, we have discussed the following:

- *Tips for putting together a local government budget.*
- *The Department of Local Government Finance Budget Order.*
- *Filling out County Budget Form 1.*
- *Filling out County Budget Form 2.*
- *Filling out County Budget Form 3.*
- *Filling out County Budget Form 4A.*
- *Filling out County Budget Form 4-B.*
- *Filling out County Budget Form 4.*
- *Filling out County Budget Form 144.*
- *The Final Budget Order.*

Key Ideas

Chapter 7: Additional Appropriations



In this section, we will discuss the following:

- *The additional appropriation process.*
- *The publication requirements for filing an additional appropriation.*
- *How to complete the certified copy of additional appropriation.*
- *How to transfer appropriations.*
- *How to obtain reconsideration of action on an additional appropriation.*

ADDITIONAL APPROPRIATIONS

The additional appropriation process is used to appropriate money in excess of the established current year budget. The following outlines the provisions for pursuing an additional appropriation.



The additional appropriation process is used to appropriate money in excess of the established current year budget.

The fiscal body of a County must act on all additional appropriations. Approval by the Department of Local Government Finance (DLGF) is limited to cash funds that receive revenue from property taxes levied under IC 6-1.1, Motor Vehicle Highway account IC 8-14-1-1, or Local Road and Street account IC 8-14-2-4. Additional appropriations from the Rainy Day Fund also require approval from the DLGF. State grant monies, such as Build Indiana grants, that are not required to be paid back and that are itemized and earmarked for particular expenditures do not necessarily need to be appropriated by the taxing unit in order to make such expenditures. The determination is under the assumption that the taxing unit receives the money up front and it is receipted into a separate fund and is not a reimbursement to a previously established fund that requires an appropriation. Grant monies must be expended in accordance with the grant budget.

Other additional appropriations (including those made from the proceeds of bonds and loans) must only be reported (Reporting Only Funds) to the Department of Local Government Finance (DLGF). Additional appropriations from the cumulative bridge fund, if the appropriations meet the requirements under IC 8-16-3-3(e), must also be reported. The DLGF will only acknowledge the receipt of the information for funds that are designated as “Reporting Only” with accurate information.

The following steps should be followed when obtaining additional appropriations that were not included in the annual budget (authority to expend funds). **Counties with departmentalized budgets should use these procedures when appropriations are reduced in one department and re-appropriated in another department within the same fund.**

STEP ONE

The first step occurs when the proper officers of a county desire to appropriate more money for a particular year than the amount prescribed in the budget for that year as finally determined by the Department of Local Government Finance budget order. They shall give notice of the proposed additional appropriation. The notice shall state the time and place at which a public hearing will be held on the proposal. The notice shall be given **one** time in accordance with IC 5-3-1-2(b) for a public hearing on the proposal.

Legal notices for additional appropriations, whether or not they require approval of the Department of Local Government Finance, must be published one (1) time in one (1) or two (2) newspapers, no less than ten (10) days before the public hearing on the proposal.



Legal notices for additional appropriations, whether or not they require approval of the Department of Local Government Finance, must be published one (1) time in one (1) or two (2) newspapers, no less than ten (10) days before the public hearing on the proposal.

Ex: Public hearing is to be held on June 20. The notice for the additional appropriation must be published no later than June 10. Note: Ten days between June 10 and June 20. If you have a weekly newspaper in your county, you are still required to publish in a timely manner.

A qualified publication as defined in IC 5-3-1-0.7 is as follows:

“(a) As used in this chapter, “qualified publication” means a publication that:

- (1) is published daily, weekly, semiweekly or tri-weekly;
- (2) is of general circulation to the public;
- (3) has been published for at least three (3) consecutive years in the same city or town;
- (4) has continuity as to title and general nature of content from issue to issue;
- (5) contains news of general or community interest, community notices, or editorial comment;
- (6) contains advertisement from unrelated advertisers in each issue;
- (7) has, in more than one half (1/2) of its issues published during the previous twelve month period, not more than seventy-five percent (75%) advertising content;
- (8) has a known office location in the county in which it is published; and
- (9) has been entered, authorized, and accepted by the United States Postal Service as mailable matter of requester second class or of the third class (as defined in 39 U.S.C. 3623) for the time published.”

A brief summary of the publication requirements follows:

County- IC 5-3-1-4(a) reads, “Whenever offices of a political subdivision are required to publish a notice affecting the political subdivision, they shall publish the notice in two (2) newspapers published in the political subdivision.”

- (1) IC 5-3-1-4(d) reads, “This subsection applies to notices published by officers of political subdivisions not covered by subsections (a) or (b), including township officers. If there is only one (1) newspaper published in the political subdivision, then the notice shall be published in that newspaper and if another newspaper is published in the county and circulates within the political subdivision in the other

newspaper. If no newspaper is published in the political subdivision, then publication shall be made in a newspaper published in the county and that circulates within the political subdivision.”

- (2) IC 5-3-1-4(f) reads, “A political subdivision may, in its discretion, publish public notices in a qualified publication or additional newspapers to provide supplementary notification to the public. The cost of publishing supplementary notification is a proper expenditure of the political subdivision.”

(A sample Notice to Taxpayers and Proof of Posting are included at the end of this chapter.)

*****Qualified publications must circulate to not less than ten percent of the population of the county in which the qualified publication is published.*****

STEP TWO

The second step requires the fiscal officers of the county to hold a public hearing on the proposal as advertised. At the public hearing, action shall be taken to approve, reduce, or disallow the additional appropriation as advertised. If the council tables the request until the following month, the additional appropriation **does not** have to be re-advertised. The county council should not adopt appropriations exceeding the amount advertised.

(A sample resolution/ordinance is included at the end of this chapter.)



The second step requires the fiscal officers of the county to hold a public hearing on the proposal as advertised.

STEP THREE

The third step requires that after the public hearing, the Auditor files a Certified Copy of Additional Appropriations and any other relevant information with the Department of Local Government Finance. Information to complete this form is pulled from the Department of Local Government Finance 16-line statement provided with the 1782 Notice. Line items are identified for ease in determining the appropriate figures.



The third step requires the Auditor to file, a Certified Copy of their final action on the additional appropriation(s) with the Department of Local Government Finance.

As the final step for additional appropriations that do not include revenue from property taxes, the fiscal officer of the county shall report the additional appropriation to the Department of Local Government Finance in the form of a Certified Copy. (DLGF approval is not required.)

The DLGF will rely on the Certified Copy of Additional Appropriations as verification by the county fiscal officer that these events (notice published, meeting held and resolution/ordinance passed) have occurred. **The DLGF order approving additional appropriations is conditioned upon the accuracy of the Certified Copy of Additional Appropriations and the financial information provided.**

How to complete the Certified Copy of Additional Appropriation form

Completion of the form is required to provide the Department of Local Government Finance with a financial worksheet to determine if the appropriate funds are available to support the Auditor's additional appropriation request.

County name: Insert "County Unit"

Unit name: Insert the county name

Date of publication: This provides the Department of Local Government Finance with the dates the Auditor published notice of the additional appropriation. Recall that the additional appropriation must be advertised in two newspapers, if two are available. The dates should be pulled from the newspaper publisher's affidavit and both dates must be at least ten days before the public hearing.

Newspaper: Provide the name of the publisher of the newspaper advertisement for the additional appropriation. If only one newspaper is used, write not applicable in the second line.

Public hearing: This is the date of the public hearing on the additional appropriation.

Resolution date: This is the date the fiscal body passed the resolution approving the additional appropriation. The resolution date cannot be before the date of the public hearing.

Fund number: This should come from your 16-line statement. Common fund numbers for a county are: 0101 General, 0180 Debt Service, 1312 Park and Recreation, 0706 Local Road and Street and 2391 Cumulative Capital Development.

Fund name: Refer to the fund number on your 16-line statement section for the appropriate fund names.

Appropriation request: This should reflect the amount approved by the county council at the additional appropriation hearing.

Amount by reduction: If the county is reducing a line item within a particular fund, it is considered a reduction. The amount reduced by the county council would be placed on this line.

Amount by surplus: This is the appropriation request minus the amount by reduction.

Line 1: Property tax levy. This reflects line 16 from the 16-line statement provided by the Department of Local Government Finance with the 1782 Notice, or the tax rate multiplied by the assessed valuation reflected on the budget order.

Line 2: Levy excess applied. This reflects line 15 of the 16-line statement provided by the Department of Local Government Finance with the 1782 Notice.

Line 3: PTRC from CAGIT (Line 13). This reflects line 13 of the 16-line statement provided by the Department of Local Government Finance with the 1782 Notice. If you are a CAGIT county, this line may have an amount placed on it. If your county is non-adopting or COIT, there would be no amount on this line.

Line 4: Miscellaneous Revenue estimate (Line 8B). This is line 8B on the 16-line statement provided by the Department of Local Government Finance with the 1782 Notice. If you are increasing the amount above what was determined at the budget hearing, a revised Form 2, Estimate of Miscellaneous Revenue, must be attached to the Certified Copy of Additional Appropriation supporting the increased requested. If no revised Form 2 is received, your request will be based upon the original miscellaneous revenue form determined by the Department of Local Government Finance.

Line 5: January 1 Cash balance, including investments. This is the cash and investment balances in the appropriate fund as of January 1 of the current year. This figure is taken from the Auditor's ledger book. Do not include investments attributed to other funds.

Line 6: Total funds available. Simply add the first five lines on the worksheet. This represents total funds available before any appropriations are deducted for this fund.

Line 7: Original Budget. This is line 1 of the 16-line statement provided by the Department of Local Government Finance with the 1782 Notice. The budget amount is also included in the final budget order.

Line 8: Encumbered appropriations. This amount would be any prior year carryovers for a particular fund. An example: \$5,000 in capital outlays were obligated through a purchase order or contract for office equipment but the check will not be written until after January 1. The original appropriation was in place the prior year but the funds were not spent.

Line 9: Total beginning appropriations. Simply add lines 7 and 8. This represents the amount of funds already committed for this fund.

Line 10: Surplus funds (6-9). This represents line 6 of this worksheet minus line 9. These are the funds available before the approval of any additional appropriations during the current calendar year.

Line 11: Amount appropriated since January 1st less any reductions in appropriations.

This represents any additional appropriations done in excess of the budget during the current calendar year. It does not include the current year budget.

Line 12: Amount transferred to the Rainy Day Fund. This represents the amount of funds transferred to the rainy day fund from this fund in the current budget year.

Line 13: Surplus funds remaining (10-11-12). This represents the total amount of uncommitted funds available for appropriation. If the amount on this line exceeds the amount requested, it is likely the additional appropriation will be approved if proper procedure has been followed. If the amount on this line is less than the amount requested, the appropriation approved will be the difference between the two figures.

The bottom of the Certified Copy of the Additional Appropriation must be completed to reflect the Auditor's certification of the information contained within the worksheet. The form is forwarded to the Department of Local Government Finance, Budget Division, at 100 N. Senate Avenue, Room N1058, Indianapolis, Indiana 46204.

STEP FOUR:

When the Department of Local Government Finance receives a Certified Copy for a proposed additional appropriation from funds requiring approval, the DLGF shall determine whether sufficient funds are available during the calendar year for the proposal. The DLGF issues a written determination within 15 days of receipt of the proposal. The DLGF shall limit the amount of the additional appropriation approval to revenues available, or to be made available, that have not been previously appropriated. The Certified Copy shall include the January 1 cash balance (including investments) and appropriations encumbered from the previous year(s). The fiscal officer certifies to the DLGF the accuracy of these figures.



The Department of Local Government Finance shall determine whether sufficient funds are available during the calendar year for the proposal.

If an appropriation is to be funded with income in excess of revenue estimates made at the time the DLGF worked the budget, then information supporting such additional revenue must be provided at the time of submission. If revenue is available from carry-over cash that is not encumbered from the previous year or the current budget, supportive evidence is not necessary. An increase in miscellaneous revenue estimates must be shown by completing a revised Budget Form 2 (Estimate of Miscellaneous Revenues) detailing increases. **If a Form 2 is not completed, the miscellaneous receipts will not be revised and the proposal will be denied until such information is received.**

*****If the information file is incomplete, the DLGF will return the Certified Copy to the taxing unit. *****

STEP FIVE:

If the Department of Local Government Finance disapproves an additional appropriation, the reason for disapproval shall be specified on the written documentation sent to the county.

STEP SIX:

If the Department of Local Government Finance denies an additional appropriation and the fiscal officer believes the denial is in error, the fiscal officer may appeal to the Department of Local Government Finance for reconsideration. A request for reconsideration must;

- Be filed with the Department of Local Government Finance within fifteen (15) days of the receipt of the determination by the political subdivision; and
- State specifically the reason for the request for reconsideration.
- There is no form for the request for reconsideration. A letter with the relevant information will be considered.



The Auditor may request a reconsideration of a determination by the Department of Local Government Finance by filing a written request for reconsideration.

Upon receipt of a request for reconsideration, the Department of Local Government Finance must act on the request within fifteen (15) days of receipt.

STEP SEVEN:

The Certified Copy of Additional Appropriations and any revised Form 2's must be sent to:

**DEPARTMENT OF LOCAL GOVERNMENT FINANCE
BUDGET DIVISION
100 N SENATE AVE., ROOM N1058
INDIANAPOLIS IN 46204**

The following summary outlines the additional appropriation procedures:

- 1) Notice to Taxpayers is published in accordance with IC 5-3-1-4 ten (10) days before the public meeting.
- 2) Public meeting is held on date and time as advertised. Resolution/Ordinance is passed.

- 3) Appropriations requiring DLGF approval must be certified and reviewed by the DLGF to insure funds are available.
- 4) For funds that do not require approval (“reporting only”), the units must report the fund and amount appropriated to the Department of Local Government Finance. The DLGF will only acknowledge the receipt of information for funds that are designated as “Reporting Only.”
- 5) The DLGF issues a written determination on appropriations requiring approval within fifteen (15) days of receipt. The deadline to submit additional appropriation requests to the DLGF is December 15. Appropriations are available for use once the DLGF approval is received.
- 6) If appropriations are denied, the unit may request within fifteen (15) days specific reconsideration of determination by the Department of Local Government Finance (DLGF).
- 7) The Department of Local Government Finance (DLGF) will respond to reconsideration requests within 15 days of receipt.

ENTRIES ON THE CERTIFIED COPY AND APPROPRIATIONS REQUEST SHOULD BE TO THE NEAREST DOLLAR. DO NOT USE CENTS.

TRANSFER OF APPROPRIATIONS

The transfer process allows for movement of appropriations between categories. This process differs from an additional appropriation because transfer requests do not increase the amount budgeted in a particular fund but merely shifts the use of the funds between line items.

IC 6-1.1-18-6 reads "(a) The proper officers of a political subdivision may transfer money from one major budget classification to another within a department or office if:

- 1) they determine that the transfer is necessary;
- 2) the transfer does not require expenditure of more money than the total amount set out in the budget as finally determined under this article;
- 3) the transfer is made at a regular public meeting and by proper ordinance/resolution;
- and
- 4) the transfer is certified to the county auditor.

(b) A transfer may be made under this section without notice and without the approval of the Department of Local Government Finance.”

TRANSFER OF FUNDS TO THE RAINY DAY FUND

Pursuant to IC 36-1-8-5.1:

- a) A political subdivision may establish a rainy day fund to receive transfer of unused and unencumbered funds.
- b) The rainy day fund is subject to the same appropriation process as other funds that receive tax money. Before making an appropriation from the rainy day fund, the

- fiscal body shall make a finding that the proposed use of the rainy day fund is consistent with the intent of the original fund.
- c) In any fiscal year, a political subdivision may transfer not more than ten percent (10%) of the political subdivision's total budget for that fiscal year to the rainy day fund.
 - d) The Department of Local Government Finance may not reduce the actual or maximum permissible levy of a political subdivision as a result of a balance in the rainy day fund of the political subdivision.

Transfers to the rainy day fund must be reported to the Department of Local Government Finance (DLGF). Units must submit to the DLGF the resolution/ordinance from the fiscal body approving the transfer. The resolution/ordinance must include the name of each fund and the amount being transferred out of each fund to the rainy day fund.

ADMINISTRATIVE NOTES

1. Questions regarding Additional Appropriations should be directed to the attention of the Budget Division at 317-232-3774.
2. Additional appropriations to be approved by the Department of Local Government Finance will not be accepted after **December 15** of any year. Units may submit "Reporting Only" appropriations until December 31 of any year.
3. The Certified Copy of Additional Appropriation utilizes the computer generated Budget Form 4B (16 line statement) and Budget Form 2 (Miscellaneous Revenues) which is provided each unit upon review by the hearing officer during the fall budget certification process. Lines 1, 2, 3, 4 and 7 rely on this information.
4. When increasing miscellaneous revenues for Line 4 of the Certified Copy, only show increases in Column B of the form. Column B must be fully completed and totaled. Be sure to include the form when forwarding the additional appropriation to the DLGF.
5. Encumbrances that are certified on Line 8 of the certified copy are approved appropriations carried forward from a prior year, and are supported by a sufficient cash balance for that year and the appropriation can be evidenced by a contract or purchase order. Appropriations carried forward (encumbrances) should be approved by the unit's fiscal body prior to the start of the year to which carried forward.

SAMPLE

ADDITIONAL APPROPRIATION RESOLUTION/ORDINANCE

WHEREAS, It has been determined that it is now necessary to appropriate more money than was appropriated in the annual budget; now, therefore:

Sec. 1. Be it ordained (resolved) by the _____
Governing Body
of the _____ County Unit, _____ County, Indiana,
that for the expenses of the taxing unit the following additional sums of money are hereby appropriated
out of the funds named and for the purposes specified, subject to the laws governing the same:

	AMOUNT REQUESTED	AMOUNT APPROPRIATED
Fund Name:		
Major budget classification:		
Personnel	\$ _____	\$ _____
Supplies	\$ _____	\$ _____
Other	\$ _____	\$ _____
Capital Outlays	\$ _____	\$ _____
TOTAL for _____ Fund:	\$ _____	\$ _____
(repeat for any other funds)		

(Include only when appropriations are being reduced)

Sec. 2 Whereas, it has been shown that certain existing appropriations now have unobligated balances that will not be needed for the purposes for which appropriated, it is further ordained (resolved) that the following existing appropriations be reduced in the following amounts:

	AMOUNT REQUESTED	AMOUNT APPROPRIATED
Fund Name:		
Major budget classification:		
Personnel	\$ _____	\$ _____
Supplies	\$ _____	\$ _____
Other	\$ _____	\$ _____
Capital Outlays	\$ _____	\$ _____
TOTAL for _____ Fund:	\$ _____	\$ _____
repeat for any other funds)		

Adopted this _____ day of _____, 20____.
NAY AYE

_____	_____
_____	_____
_____	_____
_____	_____

ATTEST:

Auditor

SAMPLE

NOTICE TO TAXPAYERS OF ADDITIONAL APPROPRIATIONS

Notice is hereby given the taxpayers of _____, _____ County,
(unit name) (county name)
Indiana that the proper legal officers, at their regular meeting place at
_____, at _____ o'clock _____ a.m./p.m., on the _____ day of
(location)
_____, 20____, will consider the following additional appropriations in excess of the
budget for the current year.

(Name of Fund)	Amount
Fund Name:	
Major Budget Classification:	
Personnel	\$ _____
Supplies	\$ _____
Other	\$ _____
Capital Outlays	\$ _____
TOTAL for _____ Fund:	\$ _____
(Repeat for any other funds)	

Taxpayers appearing at the meeting shall have a right to be heard. The additional appropriations as finally made will be referred to the Department of Local Government Finance. The Department of Local Government Finance will make a written determination as to the sufficiency of funds to support the appropriations made within fifteen (15) days of receipt of a Certified Copy of the action taken.

NOTE: DO NOT PUBLISH THE FOLLOWING PARAGRAPH

Appropriations to be reduced should be named in the published notice; set out separately and not co-mingled with the additional appropriations being requested. The resolution/ordinance adopted by the governing body must separately list each appropriation.

SAMPLE
PROOFS OF POSTING OF NOTICE OF ADDITIONAL APPROPRIATIONS

I, _____, _____, of

(Official Title)
County Unit, _____ County, Indiana hereby certify that on

(County Name)
_____, 20____, I did post in three (3) public places located in the county a copy
of the Notice to Taxpayers of Additional Appropriations. The notice was in the form attached
and made part of this certification. I further certify that the notice was posted in each of the
following places:

1)_____

2)_____

3)_____

Date: _____

(Signature – Auditor)

ADDITIONAL APPROPRIATION RESOLUTION/ORDINANCE

Whereas, it has been determined that it is now necessary to appropriate more money than was appropriated in the annual budget; now, therefore:

Sec.1.Be it ordained (resolved) by the _____
(Governing Body)
of _____, _____ County, that for the expenses of the
(Taxing Unit)
taxing unit the following additional sums of money are hereby appropriated out of the funds
named and for the purposes specified, subject to laws governing the same:

	Amount Requested	Amount Approved
Fund Name:		
Major Budget Classification:		
Personnel	\$ _____	\$ _____
Supplies	\$ _____	\$ _____
Other	\$ _____	\$ _____
Capital Outlays	\$ _____	\$ _____
TOTAL for _____ Fund:	\$ _____	\$ _____
(Repeat for any other funds)		

Adopted this _____ day of _____, 20_____.

NAY

AYE

ATTEST:

County Auditor

CERTIFIED COPY OF ADDITIONAL APPROPRIATION

County Name: _____

Unit Name: _____

Date of Publication _____ Newspaper _____

Date of Publication _____ Newspaper _____

Date of Public Hearing _____

Date of Resolution/Ordinance _____

For DLGF use only

County # _____

Unit # _____

Received _____

Order # _____

Complete for each fund from which the additional appropriations are made. Use a separate column for each fund.
Lines referred to below are on the 16 – Line computer statement from DLGF budget hearing.

Fund Number				
Fund Name				
Appropriation Request				
Amount by Reduction				
Amount by Surplus				
1. Property Tax Levy (Line 16)				
2. Levy Excess (Line 15)				
3. PTRC from CAGIT (Line 13)				
4. Misc. Revenue (Line 8b) (If higher than 8b amount, a revised Budget Form 2 must be attached)				
5. January 1 Cash Balance, including any investments				
6. Total Funds (1 + 2 + 3 + 4 + 5)				
7. DLGF Approved Budget				
8. Encumbered Appropriations				
9. Beginning Appropriations (7 + 8)				
10. Surplus Funds (6 – 9)				
11. Amount additionally appropriated since January 1 st less any reductions in appropriations.				
12. Amount transferred to the Rainy Day Fund and/or Levy Excess Fund				
13. Surplus Funds Remaining (10–11-12)				

I, _____, fiscal officer of _____ do hereby certify
that the above information is true and correct.

Dated this _____ day of _____, 20_____

(Signature)

(Title)

(Unit Address)

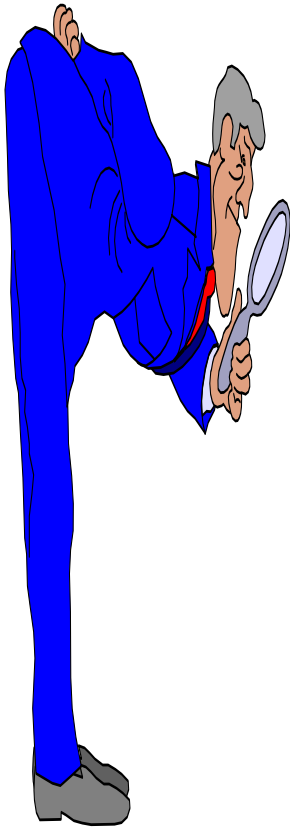
(Telephone Number)

(City / Towns / Zip Code)

(E-mail Address – Optional)

Summary

Chapter 7: Additional Appropriations



In this section, we have discussed the following:

- *The additional appropriation process used to appropriate money in excess of the established current year budget.*
- *Legal notices for additional appropriations, whether or not they require approval of the Department of Local Government Finance, must be published one (1) time in one (1) or two (2) newspapers, no less than ten (10) days before the public hearing on the proposal.*
- *The second step requires the proper officers of the county to hold a public hearing on the proposal as advertised.*
- *The third step requires the Auditor to file, after the public hearing, a Certified copy of their final proposal and any other relevant information with the Department of Local Government Finance.*
- *The final step for an additional appropriation requires a certification to the Department of Local Government Finance.*
- *The Department of Local Government Finance determines whether sufficient funds are available during the calendar year for the proposal.*
- *A county must appropriate the proceeds from a debt service issue before expending the revenue.*
- *The Department of Local Government Finance shall issue a decision regarding additional appropriations within a fifteen- day period.*
- *The County Auditor may request a reconsideration of a determination by the Department of Local Government Finance by filing a written request for reconsideration.*

Key Ideas

Chapter 8: The Excessive Levy Appeal Process



In this section, we will discuss the following:

- *How to determine if you are eligible for an increase in levy.*
- *When to consider application for appeal.*
- *The appeal application process.*
- *Type of appeals.*
- *The Local Government Tax Control Board hearing.*
- *The Department of Local Government Finance final determination.*

EXCESSIVE LEVY APPEAL PROCESS

The following section describes the excessive levy appeal process for County Auditors. Before beginning, it is important to have a general understanding of what an excessive levy appeal is and how the appeal ties into the budget process. An excessive levy appeal is a request for consideration of an increase in levy for a county that is experiencing increased growth or increased operating expenses. The increase requested is above the normal maximum levy limitation in place by statute. The following outlines the excessive levy appeal process, time frame for consideration of an appeal, application to be filed and current appeals available.

Process

Any county that determines that it cannot carry out its governmental functions for the ensuing calendar year under the levy limitations imposed by statute, may on or before September 19 of the year preceding the ensuing calendar year appeal to the Department of Local Government Finance for an increase in levy.



Any county that determines that it cannot carry out its governmental functions for the ensuing calendar year under the levy limitations imposed by statute, may on or before September 19 of the year preceding the ensuing calendar year appeal to the Department of Local Government Finance for an increase in levy.

A county is required to file a written petition with the Department of Local Government Finance stating that it cannot carry out the functions required by law and must supply a detailed statement outlining the need for an appeal. The Department of Local Government Finance submits the appeal petition to the Administrative Officer of the Local Government Control Board for consideration of the appeal.

The county unit may/may not be required to appear before the Local Government Tax Control Board for consideration of the appeal. The Local Government Tax Control Board reviews the petition and the financial information and makes a recommendation to the Department of Local Government Finance. The Local Government Tax Control Board is a recommending body only. The Department of Local Government Finance will make the final decision and an order will be issued to reflect the final determination.

Counties that fail to submit the required information will be denied. The county may not submit a new application until the following taxing year.

Time-frame

A county must consider application for an appeal during budget preparation. Any excessive levy appeals become part of the county's budget estimates for the ensuing calendar year. When the county prepares budget estimates for the ensuing calendar year, the amount of the excessive levy appeal to be considered by the County Council and by the Department of Local Government Finance must be included in the county's estimated levy on line 16 and budget estimate reflected on line 1 of County Form 4B. This levy figure must be inflated above your current maximum levy limitation to support consideration of an appeal. Ex. If an appeal for Operation of a New Jail is pursued and the county foresees an increase in levy of \$100,000 then the net amount to be raised on Line 16 of Form 4B should include the \$100,000 appeal to be considered by the County Council and Department of Local Government Finance plus the normal levy requested. If a County Council fails to adopt the excessive levy appeal requested, the Department of Local Government Finance may deny the request. It is the County Auditor's responsibility to advertise and adopt high enough for consideration of an appeal.



A county must consider application for an appeal during budget preparation.

Application

Each year, the Budget Division of the Department of Local Government Finance mails to each county an excessive levy appeal application that identifies the type of appeals available to the county for the ensuing calendar year. The appeal petition must be submitted directly to the Department of Local Government Finance's Budget Division, not with the Budget paperwork.

Top Section: The Auditor must complete this section, which provides the Budget Division with County Unit information. The blanks to be completed include Auditor's name, address, city/state/zip, telephone and county. The hearing notice will be mailed to the name and address listed in this section.

Middle Section: The County Auditor checks the types of excessive levy appeals under consideration. A county must select the applicable section(s) on the form. The Administrative Officer for the Local Government Tax Control Board must be able to identify which appeal the county is applying for before a hearing will be scheduled.

Second Page: This page provides a list of information that should accompany the excessive levy appeal request.

The fiscal body must specify why an appeal is necessary. This should not consist of a general statement that expenses have increased. The fiscal body should specify which costs have increased or what services cannot be provided to taxpayers. This section should support the entire need for the appeal. Additional pages can be attached if the space provided is not ample.



On page 1, the county must specify what type(s) of excessive levy appeals are being requested and why the appeal is necessary.

On page 2, a list of the information that must accompany the excessive levy appeal request is provided.

- 1) **Cost of operating courts established by the General Assembly in legislation enacted after 1973:** This appeal allows a county to capture increased costs associated with the establishment of a new court after 1973. The appeal captures the difference between the current year's budget before the court was established and the immediate preceding year after the court is in operation. The appeal is applicable one (1) time only but is considered a permanent increase to the maximum levy limitation for the county. Any unit applying for the appeal must provide a detailed breakdown of costs minus increased court related revenues during the first full year the court was in existence and the prior year costs for operating a court.
- 2) **Three-year growth factor:** A unit may qualify for this appeal if its average assessed valuation growth quotient (AVGQ) over the last three years exceeds the statewide average AVGQ by at least two percent (2%). The following example illustrates the appeal.

Step 1 Determine a unit's certified assessed valuation for the last four years:

Step 2 Calculate the assessed valuation growth for each of the last three years.

Step 3: Calculate the average assessed value growth quotient by taking the sum of the results of Step 2 and dividing by three (3).

Step 4: Determine the statewide certified assessed valuation for the last four years.

Step 5: Calculate the assessed value growth for each of the last three years.

Step 6: Calculate the average statewide-assessed value growth quotient by taking the sum of the results of Step 5 and dividing by three (3).

Step 7: Divide the Step Three amount by the Step Five amount.

Note: The Step Seven amount must be equal to or greater than 1.02 to qualify for the appeal.

The DLGF makes a determination on whether or not the unit meets the requirements for the appeal.

- 3) **Sec. 14 (a) Correction of advertising errors, mathematical errors or errors in data.** The unit simply states what type of error(s) occurred and the amount of the error that should be considered by the Control Board. The Department of Local Government Finance will review the information presented and consider the appeal. The appeal form should provide documentation that identifies the type and amount of errors made.
- 4) **Shortfall due to erroneous assessed valuation:** This appeal is applicable to all taxing units that experience a shortfall of property taxes due to erroneous assessed value or refunds due to successful appeals. The unit must state the specific cause of the shortfall and provide the following: Form 22's (Certificate of Tax Distribution) for all funds within the maximum levy, County Form 127CER (Register of Certificates of Error), and County Form 17TC (Certificate of Tax Refund Claims). Shortfall appeals without appropriate documentation may be subject to disapproval and no shortfalls will be considered for delinquent tax payments. Anticipated shortfalls based on current year distributions will not be considered unless the unit can prove extreme financial hardship. This appeal is temporary and results in an increase in levy for one year only.
- 5) **Increases in pension payments and contributions:** This appeal is for units that experience increases in pension payments and/or contributions for police. This appeal is a permanent increase to the maximum levy. This appeal is rarely filed on the county level. The amount a unit qualifies for is based upon the following calculations as demonstrated by this example:

CONTRIBUTIONS

a) Number of personnel for whom contributions were made for Ensuing Year	45
b) Number of personnel for whom contributions are to be made for Current Year	30
c) Increase in personnel [Line (a) minus Line (b)]	15
d) Ensuing year contributions	\$315,000
e) Current year contributions	\$210,000
f) Increase in contributions [(d) – (e)]	\$105,000

PENSION PAYMENTS

g) Ensuing year appropriations for pension payments	\$420,000
h) Current year appropriations for pension payments	\$380,000
i) Increase in pension payments [(g) – (h)]	\$ 40,000
j) Number anticipated to receive benefits for ensuing year	16
k) Number receiving benefits during calendar year	12

APPEAL CALCULATIONS

l) Total contributions and payments current year [(e) + (h)]	\$590,000
m) Multiply line (l) by 1.1	\$649,000
n) Total contributions and payments for ensuing year [(d) + (g)]	\$695,000
o) Amount to be considered for levy increase [(n) – (m)]	\$ 46,000



This appeal is for a county that experience increases in pension payments and/or contributions for police and/or fire fighters.

- 6) **Hazardous Waste Removal (up to \$.0667):** This appeal is necessary to provide removal and remedial action relating to hazardous substances in solid waste disposal facilities or industrial sites in the civil taxing unit that are considered a menace to the public health and welfare. The appeal is restricted to certain areas: a county with a population of greater than one hundred twenty nine thousand (129,000) but less than one hundred thirty six thousand (136,000); a city with a population of more than forty-three thousand seven hundred (43,700) but less than forty-four thousand (44,000); a city with a population of more than twenty-five thousand five hundred (25,500) but less than twenty six thousand (26,000); a city with a population of more than fifteen thousand three hundred fifty (15,350) but less than fifteen thousand five hundred seventy (15,570); and a city with a population of more than five thousand six hundred fifty (5,650) and less than five thousand seven hundred eight (5,708). The maximum amount of this appeal is up to \$.0667 for each \$100 of assessed value and the increased tax rate may be imposed for only two calendar years.

Documentation Required for All Appeal Types

For consideration before the Local Government Tax Control Board, all excessive levy appeal requests must include the following information in addition to the type of information required for the type of appeal under consideration:

- Report of Appealing Unit.
- Ensuing year maximum levy sheet for funds under appeal.
- Ensuing year budget proof of publication.
- Estimate of Miscellaneous Revenue (Budget Form 2) for all funds.
- "16-Line" Financial Statement (Budget Form 4B) for all funds.
- Resolution from fiscal body approving the excessive levy appeal.
- Eight (8) copies of all of the above.

Recommendation by Control Board

The Control Board reviews the appeal information and ensures proper procedures have been followed. The Control Board makes a **recommendation** to the Department of Local Government Finance approving, reducing, or disallowing an appeal request. It is important to understand that the Control Board is a recommending body only. The Department of Local Government Finance will make a decision based on the information presented and testimony given at the hearing. An order will be issued reflecting the final decision of the Department of Local Government Finance.



The Control Board makes a recommendation to the DLGF approving, reducing, or disallowing an excessive levy appeal request. It is important to understand that the Control Board is a recommending body only.

Additional Levy

If the Department of Local Government Finance approves an excessive levy appeal for your county, the amount will be “worked” in prior to certification of budgets, tax rates and tax levies for the county.

Summary

Chapter 8: The Excessive Levy Appeal Process



In this section, we have discussed the following:

- *Any county that determines that it cannot carry out its governmental functions for the ensuing calendar year under the levy limitations imposed by statute may, on or before September 19 of the year preceding the ensuing calendar year, appeal to the Department of Local Government Finance for an increase in levy.*
- *A county must consider application for an appeal during budget preparation.*
- *The county must specify why an appeal is necessary.*
- *The county must indicate what type of appeal (statutory relief) is being requested.*
- *The Control Board makes a recommendation to the Department approving, reducing, or disapproving an appeal request.*
- *Excessive levy appeals may be a temporary or permanent increase to a unit's maximum levy limitation.*

Key Ideas

Chapter 9: The Cumulative Fund Process



In this section, we will discuss the following:

- *The procedures for establishment of a cumulative fund.*
- *The types of cumulative funds available to a county.*
- *The timing requirements for establishment of a cumulative fund.*
- *The public notices required for establishment of a cumulative fund.*
- *The Department final determination.*

PROCEDURE FOR ESTABLISHMENT OF A CUMULATIVE FUND

In addition to complying with the budget requirements of Ind. Code § 6-1.1-17, a taxing unit must follow the steps for establishing a cumulative fund pursuant to Ind. Code § 6-1.1-41. If the establishment is not in compliance with Ind. Code § 6-1.1-41 and this section, a tax may not be levied in the ensuing year. In addition, the fund may not have a rate that exceeds what is stated in the applicable statute. After a political subdivision complies with Ind. Code § 6-1.1-41 to establish the cumulative fund, it may levy a property tax annually at the rate approved without further action. The tax levy must be advertised annually as other tax levies are advertised and adopted. Steps 1 through 3 must occur before August 2nd per Ind. Code § 6-1.1-17-16.7. (Transcript postmarked or file marked no later than August 1.)

Step 1. If a county decides to levy a cumulative fund, it shall hold a public hearing on the proposal to establish the fund by the publication of a Notice to Taxpayers (a sample is included in this chapter), describing the tax levy to be imposed. The Notice shall be published two (2) times, at least one (1) week apart, with the first publication being at least ten (10) days before the date of the public hearing and the second publication made at least three (3) days before the date of the hearing in accordance with Ind. Code § 5-3-1-2(f)). The notice must describe the tax rate that will be imposed for the fund. To count the number of days, begin counting days with the day after the notice first appears and count the day of the hearing. Use the same procedure to count days for the second appearance of the legal advertisement.

The following applies for legal notices to various political subdivisions:

County: A county must publish in two (2) newspapers. If only one (1) newspaper is published in the county, publication in that newspaper alone is sufficient. If only one (1) newspaper is used, the county must provide evidence that the Commissioners designated that qualified publication as its designated publication.

Step 2. The adopting body shall conduct a public hearing on the proposed cumulative fund on the date, time, and at the location indicated in the legal notice. At this meeting, the taxpayers in the affected county have the right to be heard. Upon completion of the public hearing, the adopting body must pass a resolution/ordinance adopting the proposed fund as presented or at a lesser tax rate.

Step 3. If a resolution/ordinance is passed by the adopting body that proposes a rate for a cumulative fund, the proposal is submitted by the County Auditor, on behalf of the adopting body, to the Department of Local Government Finance for approval. The proposal should consist of:

- 1) procedures checklist (A sample checklist is included at the end of this chapter.);
- 2) the resolution/ordinance of the adopting body; and
- 3) proofs of publication from all newspapers where the legal advertisement appeared.

Step 4. The proposal, as submitted, will be reviewed by the Department of Local Government Finance for completeness. If the proposal contains errors or proper procedures were not followed, the packet will be returned to the fiscal officer of the adopting unit for correction, providing that the time constraints outlined in Step 3 can be met.

Step 5. The Department of Local Government Finance requires that a Notice of Submission be given to affected taxpayers. This notice will be prepared by the DLGF and mailed to the taxing unit. The taxing unit shall publish the notice one (1) time in two newspapers. If only one (1) newspaper is published within the county, then publication in that newspaper alone is sufficient. (If the fund is a Cumulative Voting System (IC 3-11-6) or Cumulative Channel Maintenance (IC 8-10-5), the notice shall also be posted in three (3) public places in the political subdivision.

Step 6. No Taxpayer Objections

After the required remonstrance period has passed, the adopting unit shall forward the following information to the DLGF:

1. Proof of publication of the Notice of Submission
2. Proof of posting of a public hearing (if required)
3. County Auditor's Certificate of No Objection (a sample certificate is included at the end of this chapter). It is the responsibility of the applying taxing unit to secure a Certificate of No Objection from the County Auditor. Proofs of publication of the Notice of Submission must be provided to the Auditor in order to verify that the proper time for filing objections has passed.

Taxpayer Objections

Taxpayers who are affected by the proposed Cumulative Fund may file an objecting petition with the County Auditor not later than noon, by the end of the required remonstrance period after publication of the Notice of Submission setting forth their objections to the proposed rate. Pursuant to IC 6-1.1-41, the number of signatures required for a valid objecting petition is specific to each type of Cumulative Fund as follows:

IC 8-16-3-3	Cumulative Bridge Fund	10
IC 8-16-3.1	Major Bridge Fund	10
IC 14-33-21	Cum. Improvement Fund	10
IC 16-22-5-2	Cum. Building Hospital	25
IC 36-10-3-21	Cum. Building Park	30
IC 36-9-14.5-1	Cumulative Capital Development Fund	50
IC 36-9-14-1	Cumulative Courthouse	50
IC 36-9-15-1	Cumulative Jail Fund	50
IC 36-9-27-100	Cumulative Drainage	50
IC 8-22-3-25	Cumulative Building Airport	50
IC 36-9-16-1	Cumulative Building	50
IC 3-11-6-9	Cumulative Voting System Purchase	100

The County Auditor shall immediately certify the objecting petition(s) to the Department of Local Government Finance by verifying:

- (a) the number of taxpayers on the petition and counterparts who are property owners with the taxing district(s) where the proposed Cumulative Fund will be levied;
- (b) that the proper number of qualified signatures appear on the petition and counterparts; and
- (c) the petition(s) was filed within the proper number of days after the publication of the Notice of Submission.

If the County Auditor certifies an objecting petition to the Department of Local Government Finance, the Department shall fix a date for hearing within a reasonable time after receipt. Notice of the hearing, under the signature of the Commissioner of the Department of Local Government Finance, shall be given to the County Auditor and the first ten (10) taxpayers whose names appear on the petition at least five (5) days before the date of the hearing.

A hearing will be conducted in the County by a hearing officer of the Department of Local Government Finance at which time all affected taxpayers have the right to be heard. Testimony will be accepted from those in opposition as well as those in favor. The hearing officer(s) will submit a report on the hearing to the Commissioner

In years following the year of adoption and pursuant to IC 6-1.1-41-12, taxpayers of the taxing district(s) where the rate is levied may file with the County Auditor a petition for reduction or revision of the Cumulative Fund levy. Such petitions must be filed on or before August 1 for the next ensuing year. The required number of taxpayers to file an objection is as follows:

Cumulative Fund		Number of Taxpayers
IC 8-16-3-3	Cumulative Bridge Fund	10
IC 8-16-3.1	Major Bridge Fund	10
IC 14-33-21	Cum. Improvement Fund	10
IC 16-22-5-2	Cum. Building Hospital	25
IC 36-10-3-21	Cum. Building Park	30
IC 36-9-14.5-1	Cumulative Capital Development Fund	50
IC 36-9-14-1	Cumulative Courthouse	50
IC 36-9-15-1	Cumulative Jail Fund	50
IC 36-9-27-100	Cumulative Drainage	50
IC 8-22-3-25	Cumulative Building Airport	50
IC 36-9-16-1	Cumulative Building	50
IC 3-11-6-9	Cumulative Voting System Purchase	100

Step 7. The Department of Local Government Finance shall certify approval, disapproval, or modification of the proposal to the County Auditor. The action of the Department of Local Government Finance with respect to the proposed levy is final. The approved Cumulative Fund may be levied beginning with the first annual tax levy after approval or the year as stated in the Notice to Taxpayers and the final order approving the fund. The Cumulative Fund does not expire and may be levied from year to year as long as the levy is advertised annually with the

annual budget or is not limited by the establishing resolution/ordinance.

For Cumulative Capital Development Funds, the fiscal body shall specify in its establishing resolution the rates for year one, year two, year three (and thereafter). This method will allow for the increasing rates without the unit having to reestablish each of the first three years of the fund. However, the unit must clearly state the increasing rates in its resolution and publications. (Sample resolutions/ordinances and publications are included at the end of this chapter.)

If the appropriate fiscal body for a given calendar year reduces the Cumulative Fund rate and wishes to increase the rate in subsequent years, the fund must again be established and presented to taxpayers. The fund must also be reestablished if the use of the Cumulative Fund is changed.

The tax rate may not exceed the rate as specified by the statute authorizing the fund. The Department of Local Government Finance will apply the rate cap calculations to all Cumulative Funds as listed in this chapter. The maximum property tax rate levied must be adjusted each time a reassessment of property takes affect. When a Cumulative Fund is established, the Department of Local Government Finance order will reflect the (statutory) rate adopted by the taxing unit. The Budget Order will reflect the cap rate adjustment pursuant to Ind. Code § 6-1.1-18.5-9.8.

General

Taxes collected shall be deposited in a specific fund and may only be used for the purposes as stated in the statute and/or the resolution/ordinance as adopted. All funds must be appropriated before expenditure. The Department of Local Government Finance must approve all appropriations, except for the Cumulative Bridge Fund. Appropriations may be included in the political subdivision's annual budget or may be established by additional appropriation.

If the political subdivision establishing the fund;

- (1) decides that the purposes for which the fund was established have been accomplished or no longer exists; or
- (2) rescinds the tax levy for the fund;

the governing body establishing the fund for the political subdivision may transfer the balance in the fund to the General Fund of the unit. The money in a Cumulative Fund does not revert to the General Fund at the end of the fiscal year.

**NOTICE TO TAXPAYERS OF HEARING ON PROPOSED
CUMULATIVE _____ FUND**

Notice is given to the taxpayers of _____ County Unit,
_____ County, that the _____ (adopting body) will
consider at their regular meeting place at _____, at
_____ o'clock a.m./p.m. on the _____ day of _____, the establishment
of a Cumulative _____ Fund under the provisions of IC _____ for the
purposes stated therein, including:

**(Unit may set out selective uses as provided by the establishing statute or the unit
may state "For all uses as set out in IC _____")**

The tax will be levied on all taxable real and personal property within the taxing
district and will not exceed \$._____ (rate) per \$100 of assessed valuation. The proposed
fund will be levied beginning with taxes due and payable in the year _____.

Taxpayers appearing at such hearing shall have a right to be heard. The proposal for
establishment of the Cumulative _____ Fund is subject to
approval by the Department of Local Government Finance, who will require Notice of
Submission to be given to the taxpayers through publication. After the publication of the
Notice of Submission, _____ or more taxpayers in the taxing district may file a petition
with the County Auditor not later than _____ days after publication, setting forth
their objection to the proposed levy.

Dated this _____ day of _____ 20____.

_____	_____
_____	_____
_____	_____
_____	_____

**ORDINANCE/RESOLUTION ESTABLISHING
CUMULATIVE _____ FUND
UNDER IC _____**

BE IT RESOLVED by the _____ (adopting body) of
_____ County , Indiana that a need now exists for the establishment of
Cumulative _____ Fund for the following purposes:

**(Unit may set out selective uses as provided by the establishing statute or the unit may state
“For all uses as set out in IC _____)**

BE IT FURTHER RESOLVED that this Board/Council will adhere to the provisions of
IC _____. Proposed fund will not exceed \$._____ on each \$100 of assessed
value. Said tax rate will be levied beginning with taxes for 20____ payable 20____.

BE IT FURTHER RESOLVED that proofs of publication of the public hearing held on
_____ day of _____, 20____ and a certified copy of this resolution be submitted to
the Department of Local Government Finance of the State of Indiana as provided by law. Said
Cumulative Fund is subject to the approval of the Department of Local Government Finance.

Duly adopted by the following vote of the members of said
_____ (adopting body), this _____ day of _____, 20____.

NAY

AYE

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Attest:

Fiscal Officer

_____ County

PROCEDURES FOLLOWED

(Complete the top portion of this form and submit to the Department of Local Government Finance with proofs-of-publication of Notice to Taxpayers and the adopted ordinance).

TAXING UNIT _____ COUNTY _____

CUMULATIVE FUND _____

IC CODE: _____

YEAR TO BE FIRST LEVIED 20 ____ payable 20 ____.

NOTICE TO TAXPAYERS:

1st Publication: _____ in the _____
(Date) (Name of Newspaper)
_____ in the _____
(Date) (Name of Newspaper)

2nd Publication _____ in the _____
(Date) (Name of Newspaper)
_____ in the _____
(Date) (Name of Newspaper)

PUBLIC HEARING HELD ON: _____, 2 _____

ORDINANCE ADOPTED ON: _____, 2 _____

PROPOSED RATE : \$ _____

CONTACT PERSON _____

MAILING ADDRESS OF UNIT: _____

E-MAIL ADDRESS (OPTIONAL) _____

CERTIFICATE OF NO OBJECTION

I, _____ Auditor of
_____ County, Indiana, do hereby certify that there
was no remonstrance filed on the proposed Cumulative _____ Fund
as adopted by the _____ (adopting body)
on _____. Notice of Submission provided by the
Department of Local Government Finance was published on _____,
_____ in the _____ newspaper.
Dated this _____ day of _____, 20 _____.

_____ County Auditor

Summary

Chapter 9: The Cumulative Fund Process



In this section, we have discussed the following:

- *The county unit has until August 2nd to establish a cumulative fund.*
- *The county unit must consider the cumulative fund during budget preparation.*
- *The county unit must advertise and adopt its cumulative fund.*
- *The DLGF provides the Notice of Submission to county units establishing a cumulative fund.*
- *The DLGF approves or disapproves cumulative funds.*

Key Ideas

Chapter 10: Incurring Debt



In this section, we will discuss the following:

- *The types of debt allowed for a county*
- *The procedures for establishment of a debt service fund.*

PROCEDURE FOR ESTABLISHMENT OF A DEBT SERVICE FUND

In addition to complying with the budget requirements of Ind. Code § 6-1.1-17, a taxing unit must follow the steps for establishing a debt service fund. If the establishment is not in compliance with Indiana Code's and this section, a tax may not be levied in the ensuing year. After a political subdivision complies with the necessary requirements to establish a debt service fund, it may levy a property tax annually at the rate approved without further action. The tax levy must be advertised annually as other tax levies are advertised and adopted.

Types of Debt

There are three types of debt a County can incur; they are:

- | | |
|-------------------------------------|---------------|
| (1) Bonds | |
| a. General Obligation | IC 6-1.1-20 |
| b. Park District | IC 31-10-3-24 |
| c. Special Taxing District | |
| i. Solid Waste Management Districts | IC 12-21-7 |
| ii. Sanitary District Bonds | IC 36-9-25-27 |
| (2) Leases | IC 36-1-10 |
| (3) Public Works Project Loans | IC 36-1-12 |

Bonds

Bonds are governed by the state statute I.C. 6-1.1-20. The definition of bonds is:

Sec. 1. For purposes of this chapter, the term "bonds" means any bonds or other evidences of indebtedness payable from property taxes for a controlled project, but does not include:

- (1) notes representing loans under IC 36-2-6-18, IC 36-3-4-22, IC 36-4-6-20, or IC 36-5-2-11 which are payable within five (5) years after issuance;
- (2) warrants representing temporary loans which are payable out of taxes levied and in the course of collection;
- (3) a lease;
- (4) obligations; or
- (5) funding, refunding, or judgment funding bonds of political subdivisions.

Leases

Leases are governed by the state statute IC 36-1-10. The following are excerpt from the code: IC 36-1-10-1

Application of chapter:

Sec. 1. (a) Except as provided in subsection (b), this chapter applies to:

- (1) political subdivisions and agencies of political subdivisions that determine to acquire structures, transportation projects, or systems by lease or lease-purchase;
- (2) a convention and visitor bureau established under IC 6-9-2 that determines to acquire a visitor center by lease or lease purchase; and
- (3) a convention and visitor commission established by IC 6-9-11 that determines to acquire a sports and recreation facility by lease or lease purchase.

- (b) This chapter does not apply to:
- (1) the lease of library buildings under IC 36-12-10, unless the library board of the public library adopts a resolution to proceed under this chapter instead of IC 36-12-10;
 - (2) the lease of school buildings under IC 21-5;
 - (3) county hospitals organized or operating under IC 16-22-1 through IC 16-22-5;
 - (4) municipal hospitals organized or operating under IC 16-23-1; or
 - (5) boards of aviation commissioners established under IC 8-22-2.

IC 36-1-10-2

Definitions

Sec. 2. As used in this chapter “Leasing agent” means the board or officer of a political subdivision or agency with the power to lease structures.

“Parking facility” refers to a parking facility as defined in IC 36-9-1.

“Structure” means:

- (1) a building used in connection with the operation of a political subdivision; or
- (2) a parking facility.

The term includes the site, the equipment, and appurtenances to the building or parking facility.

“System” means:

- (1) a computer (as defined in IC 36-8-15-4);
- (2) a communications system (as defined in IC 36-8-15-3(1)); or
- (3) mobile or remote equipment that is coordinated by or linked with a computer or communications system.

“Transportation project” means a road or highway project jointly undertaken by the Indiana department of transportation and any county through which a toll road project under IC 8-15-2 passes. A transportation project must be located within an area described in IC 8-15-2-1(a)(3) or IC 8-15-2-1(a)(4).

IC 36-1-10-7

Lease of structures, systems, or transportation projects; petition; need

Sec. 7. A leasing agent may not lease a structure, transportation project, or system, unless:

- (1) the leasing agent received a petition signed by fifty (50) or more taxpayers of the political subdivision or agency, and
- (2) the fiscal body of the political subdivision determines, after investigation, that the structure, transportation project, or system is needed.

Public Works Project Loan

A public works project is defined in IC 36-1-12 as:

Sec. 2. As used in this chapter, “public work” means the construction, reconstruction, alteration, or renovation of a public building, airport facility, or other structure that is paid for out of a public fund or out of a special assessment. The term includes the construction, alteration, or repair of a highway, street, alley, bridge, sewer, drain, or other improvement that is paid for out

of a public fund or out of a special assessment. The term also includes any public work leased by a political subdivision under a lease containing an option to purchase.

IC 36-1-12-3 further defines the requirements for a public works project:

Sec. 3. (a) The board may purchase or lease materials in the manner provided in IC 5-22 and perform any public work, by means of its own workforce, without awarding a contract whenever the cost of that public work project is estimated to be less than one hundred thousand dollars (\$100,000). Before a board may perform any work under this section by means of its own workforce, the political subdivision or agency must have a group of employees on its staff who are capable of performing the construction, maintenance, and repair applicable to that work. For purposes of this subsection, the cost of a public work project includes the actual cost of materials, labor, equipment, rental, a reasonable rate for use of trucks and heavy equipment owned, and all other expenses incidental to the performance of the project.

(b) When the project involves the rental of equipment with an operator furnished by the owner, or the installation or application of materials by the supplier of the materials, the project is considered to be a public work project and subject to this chapter. However, an annual contract may be awarded for equipment rental and materials to be installed or applied during a calendar or fiscal year if the proposed project or projects are described in the bid specifications.

(c) A board of aviation commissioners or an airport authority board may purchase or lease materials in the manner provided in IC 5-22 and perform any public work by means of its own workforce and owned or leased equipment, in the construction, maintenance, and repair of any airport roadway, runway, taxiway, or aircraft parking apron whenever the cost of that public work project is estimated to be less than fifty thousand dollars (\$50,000).

(d) Municipal and county hospitals must comply with this chapter for all contracts for public work that are financed in whole or in part with cumulative building fund revenue, as provided in section 1(c) of this chapter. However, if the cost of the public work is estimated to be less than fifty thousand dollars (\$50,000), as reflected in the board minutes, the hospital board may have the public work done without receiving bids, by purchasing the materials and performing the work by means of its own workforce and owned or leased equipment.

(e) If a public works project involves a structure, an improvement, or a facility under the control of a department (as defined in IC 4-3-19-2(2)), the department may not artificially divide the project to bring any part of the project under this section.

Designation of Debt

There are two designations of debt. They are

- (1) Controlled projects
- (2) Uncontrolled projects

Bonds and leases are defined as controlled or uncontrolled in I.C. 6-1.1-20-1.1, which reads:

As used in this chapter, “controlled project” means any project financed by bonds or a lease except

- (1) A project for which the political subdivision reasonably expects to pay:

- (A) debt service; or
 - (B) lease rentals
- from funds other than property taxes that are exempt from the levy limitations of I.C. 6-1.1-18.5 or I.C. 6-1.1-19. A project is not a controlled project even though the political subdivision has pledged to levy property taxes to pay the debt service or lease rentals if those other funds are insufficient.
- (2) A project that will not cost the political subdivision more than two million dollars (\$2,000,000)
 - (3) A project that is being refinanced for the purpose of providing gross or net present value savings to taxpayers.
 - (4) A project for which bonds were issued or leases were entered into before January 1, 1996, or where the state board of tax commissioners has approved the issuance of bonds or the execution of leases before January 1, 1996.
 - (5) A project that is required by a court order holding that a federal law mandates the project.

Controlled Projects

The procedures for incurring debt for a controlled project are set out in IC 6-1.1-20, which reads as follows:

Sec. 3.1 A political subdivision may not impose property taxes to pay debt service or lease rentals without completing the following procedures:

- (1) The proper officers of a political subdivision shall:
 - a. Publish notice in accordance with IC 5-3-1; and
 - b. Send notice by first class mail to any organization that delivers to the officers, before January 1 of that year, an annual written request for such notices; of any meeting to consider adoption of a resolution or an ordinance making a preliminary determination to issue bonds or enter into a lease and shall conduct a public hearing on a preliminary determination before adoption of the resolution or ordinance.
- (2) When the proper officers of a political subdivision make a preliminary determination to issue bonds or enter into a lease, the officers shall give notice of the preliminary determination by:
 - a. Publication in accordance with IC 5-3-1; and
 - b. First class mail to the organizations described in subdivision (1)(b).
- (3) A notice under subdivision (2) of the preliminary determination of the political subdivision to issue bonds or enter into a lease must include the following information:
 - a. The maximum term of the bonds or lease
 - b. The maximum principal amount of the bonds or the maximum lease rental for the lease
 - c. The estimated interest rates that will be paid and the total interest costs associated with the bonds or lease.
 - d. The purpose of the bonds or lease
 - e. A statement that any owners of real property within the political subdivision who want to initiate a petition and remonstrance process against the proposed

debt service or lease payments must file a petition that complies with subdivision (4) and (5) not later than thirty (30) days after publication in accordance with IC 5-3-1.

- (4) After notice is given, a petition requesting the application of a petition and remonstrance process may be filed by the lesser of:
 - a. One hundred (100) owners of real property within the political subdivision; or
 - b. Five percent (5%) of the owners of real property within the political subdivision.
- (5) The state board of accounts shall design and, upon request by the county auditor, deliver to the county auditor or the county auditor's designated printer the petition forms to be used solely in the petition process described in this section. The county auditor shall issue to an owner or owners of real property within the political subdivision the number of petition forms requested by the owner or owners. Each form must be accompanied by instructions detailing the requirements that:
 - a. The carrier and signers must be owners of real property
 - b. The carrier must be a signatory on a least one (1) petition
 - c. After the signatures have been collected, the carrier must swear or affirm before a notary public that the carrier witnessed each signature; and
 - d. Govern the closing date for the petition period.Persons requesting forms may not be required to identify themselves and may be allowed to pick up additional copies to distribute to other property owners.
- (6) Each petition must be verified under oath by at least one (1) qualified petitioner in a manner prescribed by the state board of accounts before the petition is filed with the county auditor under subdivision (7).
- (7) Each petition must be filed with the county auditor not more than thirty (30) days after publication under subdivision (2) of the notice of the preliminary determination.
- (8) The county auditor must file a certificate and each petition with:
 - a. The township trustee, if the political subdivision is a township, who shall present the petition or petitions to the township board; or
 - b. The body that has the authority to authorize the issuance of the bonds or the execution of a lease, if the political subdivision is not a township;within fifteen (15) business days of the filing of the petition requesting a petition and remonstrance process. The certificate must state the number of petitioners that are owners of real property within the political subdivision. If a sufficient petition requesting a petition and remonstrance process is not filed by owners of real property as set forth in this section, the political subdivision may issue bonds or enter into a lease by following the provisions of law relating to the bonds to be issued or lease to be entered into.

After all these procedures have been completed, the political subdivision must seek approval from the Department of Local Government Finance as required by IC 6-1.1-20-3.2(7):

- (6) After a political subdivision has gone through the petition and remonstrance process set forth in this section, the political subdivision is not required to follow any other remonstrance or objection procedures under any other law (including section 5 of this chapter) relating to bonds or leases designed to protect owners of real property within

the political subdivision from the imposition of property taxes to pay debt service or lease rentals. However, the political subdivision must still receive the approval of the department of local government finance required by IC 6-1.1-18.5-8 or IC 6-1.1-19-8.

Uncontrolled Projects

Political subdivisions are not required to publish any notices before petitioning the Local Government Tax Control Board to appear for a recommendation for projects that are considered as uncontrolled. They must however, adopt a resolution approving the project and the financing.

Local Government Tax Control Board (LGTCB)

The taxing unit must petition the Local Government Tax Control Board to be placed on the agenda for the next meeting, per IC 6-1.1-18.5-8(a)(2). The taxing unit must appear at the meeting to present project and answer questions by the LGTCB members. The members will then make a recommendation to approve, modify or deny a debt service fund to finance the project to the Commissioner of the Department of Local Government Finance. The Commissioner will review the minutes of the meeting and the submitted documentation and make a final decision on whether to approve, modify or deny a debt service fund to finance the project. The department of local government finance shall render a decision within three (3) months after the date it receives a request for approval. However, the department of local government finance may extend this three (3) month period by an additional three (3) months if, at least ten (10) days before the end of the original three (3) month period, the department sends notice of the extension to the executive officer of the civil taxing unit. A civil taxing unit may petition for judicial review of the final determination of the department of local government finance under this section. The petition must be filed in the tax court not more than forty-five (45) days after the department enters its order under this section.

Approved Indebtedness

If the Department of Local Government Finance approves a bond issuance or execution of a lease for your county, then you must submit a final amortization schedule on or before December 31 of the current year for a tax rate to be imposed in the ensuing year. Based on the final amortization schedule, the amount needed to cover the bond or lease rental payment will be “worked” in during the certification of budgets, tax rates and tax levies for the county as a separate debt service fund.

Summary

Chapter 10: Incurring Debt



In this section, we have discussed the following:

- *The types of debt allowed for a county*
- *The procedures for establishment of a debt service fund.*

Appendix A

Glossary of Terms

FREQUENTLY USED TERMS

Term	Definition
100% Levy	100% of the fund tax levies as approved by the Department of Local Government Finance.
Appropriation	Authority by County Council to expend funds
Budget Form 1	Budget form used to estimate budgetary needs, by line item, for the ensuing budget year
Budget Form 2	Budget form used to estimate revenues, other than tax money. The form consists of two columns, Column A represents the period July 1 to December 31 of the current budget year. Column B represent the period January 1 to December 31 of the ensuing budget year
Budget Form 3	Budget form used to advertise the date of the public hearing, adoption meeting, budget and levy for the ensuing budget year. The form also informs taxpayers of the maximum permissible levy and appeal rights
Budget Form 4	Budget form used by the County Council approving (adopting) major budget fund classifications for the ensuing budget year
Budget Form 4B	Budget form used to produce a fund tax rate. Form indicates the financial information necessary to fund the ensuing budget.
Budget Form 5	Budget form used to appropriate budgets and tax rates. County units are not required to use this form.
Cash	Monies on hand or invested as evidenced by entry in the unit's ledger
Controlled Levy	Tax monies raised which are chargeable against the Maximum Permissible Levy such as General Fund, Health, Reassessment and Park Fund

Current Budget Year	The budget year in which a county is operating.
Ensuing Budget Year	The next upcoming budget year which runs from January 1 to December 31. Also know as incoming budget year
Excessive Levy	An amount of money, which exceeds the maximum permissible levy. Can become a permanent increase or a one-year increase depending upon the type of appeal submitted. Appeal must be submitted to the Department of Local Government Finance before September 20 of the current year
Exempt Levy	Tax money raised which is outside the Maximum Permissible Levy such as a Debt Service Fund
Fiscal Body	County Council
Levy Excess	That amount of money which is actually raised in excess of 100% of the fund levy approved by the Department of Local Government Finance
Local Government Tax Control Board	Seven member board which holds hearings for excessive levy appeals and debt service requests and <u>recommends</u> approval, disapproval or modification to such requests
Maximum Permissible Levy (Maximum Levy)	The maximum amount of tax money which may be raised in any budget year as determined by the Department of Local Government Finance

County Budget Manual: A Guide Through the Process of Local Government Budgeting

PRESCRIBED BY DEPARTMENT OF LOCAL GOVERNMENT FINANCE
APPROVED BY STATE BOARD OF ACCOUNTS

Budget Form No. 1 (Rev. 2002)

ID YEAR CO TYPE KEY

BUDGET ESTIMATE FOR

(Office, Board, Commission, Department, Institution or Fund)

(If City, Town or Fire Protection District Budget, Enter Name)

(If County Budget, Enter County Name)

For Calendar Year

	Items	Total Estimate	Approved
1 PERSONAL SERVICES			
Salaries and Wages			
Employee Benefits			
Other Personal Services			
Total Personal Services			
2 SUPPLIES			
Office Supplies			
Operating Supplies			
Repair and Maintenance Supplies			
Other Supplies			
Total Supplies			

	Items	Total Estimate	Approved
3 OTHER SERVICES AND CHARGES			
Professional Services			
Communication and Transportation			
Printing and Advertising			
Insurance			

County Budget Manual: A Guide Through the Process of Local Government Budgeting

PRESCRIBED BY DEPARTMENT OF LOCAL GOVERNMENT FINANCE
APPROVED BY STATE BOARD OF ACCOUNTS

County Budget Form No. 2 (Rev. 2002)

_____ COUNTY, INDIANA
ESTIMATE OF MISCELLANEOUS REVENUES _____ FUND
FROM SOURCES OTHER THAN GENERAL PROPERTY TAXES
FOR USE IN PREPARATION OF ESTIMATE OF FUNDS TO BE RAISED, YEAR _____

PREPARE SEPARATE ESTIMATE FOR EACH FUND

	ESTIMATED AMOUNTS TO BE RECEIVED			
	-A- July 1, _____ to Dec. 31, _____	-X- Department of Local Government Finance	-B- Jan. 1, _____ to Dec. 31, _____	-X- Department of Local Government Finance
OTHER TAXES				
0201 Financial Institutions Tax				
0202 Vehicle License Excise Tax				
0203 CAGIT Certified Shares				
0204 CAGIT Property Tax Replacement Credit			XXXXXXXXXX	
0206 Surtax				
0207 Wheel Tax				
0212 County Option Income Tax (COIT)				
0217 CVET Commercial Vehicle Excise Tax.....				
.....				
INTERGOVERNMENTAL REVENUE:				
Revenue From State and Federal Sources:				
1413 Change of Venue				
1510 Inheritance Tax - County's Share				
1511 Intangibles Tax - County's Share				
1512 Surplus State Dog Fund				
1513 Special Judges				
1414 Board of Education - Tuition Support.....				
1122 Care of Federal Prisoners				
1121 Civil Defense - Federal Matching Funds				
1301 In Lieu of Taxes - Housing Authority				
1501 Alcoholic Beverage Excise				
.....				
COUNTY HIGHWAY FUND DISTRIBUTIONS:				
1416 Motor Vehicle Highway Account				
1417 Local Road and Street Distribution.....				
1516 Highway Engineer's Salary				
.....				
LICENSES AND PERMITS:				
2101 Plan Commission				
2102 Building Department				
2505 County Health Department				
.....				
CHARGES FOR SERVICES:				
2111 County Auditor				
2106 County Treasurer - Demand Fees.....				
2107 County Treasurer - Tax Sale Costs.....				
2108 County Recorder				
2109 County Sheriff				
2110 County Surveyor				
2210 Prosecuting Attorney				
2508 County Home- Care of Residents				
2509 County Home - Other Revenue				
2504 Emergency Ambulance Service				
2403 Sanitary Landfill				
2601 Park Receipts.....				
.....				
FINES AND FORFEITURES:				
4103 Clerk of Circuit Court				
.....				
MISCELLANEOUS REVENUE:				
6100 Interest on Investments				
.....				
OTHER FINANCING SOURCES:				
6400 Contributions and Donations				
6500 Miscellaneous Revenues.....				
.....				

